



# Cost Allocation

## Training Guide

Version 3.0

## Table of Contents

<b>List of Figures .....</b>	<b>3</b>
<b>List of Tables .....</b>	<b>4</b>
<b>About This Training Guide .....</b>	<b>5</b>
Training Guide Description.....	5
Training Guide Objectives .....	5
Terminology .....	6
List of Acronyms .....	8
<b>1. Navigation Refresher .....</b>	<b>10</b>
1.1. Navigation Review: Reference Table .....	10
1.2. Navigation Review: Document .....	13
1.3. Navigation Review: Inquiry Pages .....	17
<b>2. Overview of Cost Allocation .....</b>	<b>20</b>
2.1. The Overhead Rate and Cost Allocation Processes .....	20
2.2. Cost Allocation Overview .....	21
2.3. Cost Allocation Terminology.....	22
2.4. Cost Allocation Hierarchy .....	22
<b>3. Establishing a Cost Allocation Hierarchy .....</b>	<b>26</b>
3.1. Cost Allocation Control Setup (ALOC).....	27
3.2. Cost Allocation Series Setup (SRS) .....	30
3.3. Cost Allocation Step Setup (STEP) .....	33
3.4. Pool/Base Setup (PLBS).....	37
3.5. Pool/Base Distribution (PBDIST) .....	41
3.6. Pool/Base Offset Requirement (PBOREQ) Page .....	48
3.7. Object Rate Groups (OBJRT) Page .....	52
<b>4. Creating Alternative Cost Allocation Hierarchies .....</b>	<b>56</b>
4.1. Create Entries on the Statistical Unit (STAT) Page .....	56
4.2. Modify an Allocation Hierarchy to Add a Series Using the Statistical Base Type .....	60
4.3. Create an Allocation using the Direct Financial Base Type.....	68
4.4. The Direct and Instream Financial Base Type.....	77

<b>5. Data Entry Shortcuts .....</b>	<b>79</b>
5.1. Pool and Base Expansion .....	79
5.2. Data Entry Shortcuts .....	79
<b>6. The Automated Cost Allocation Process .....</b>	<b>89</b>
6.1. State Process Overview .....	89
6.2. The Automated Cost Allocation Process .....	91
6.3. Cost Allocation Parameter (CAPA).....	92
6.4. The Cost Allocation (CA) Document .....	94
6.5. Cost Allocation Reversal .....	98
6.6. Cost Allocation Inquiries .....	102
<b>7. Cost Allocation Reporting .....</b>	<b>108</b>
7.1. Reports.....	108
<b>8. Appendix .....</b>	<b>110</b>
Charge Back Process.....	110
Comparison of Output from Overhead, Charge Back, Charge Back with Offset Distribution, and Cost Allocation Processes .....	113
Answer Keys .....	118

## List of Figures

---

Figure 1: Cost Allocation Pages .....	23
Figure 2: Pool/Base Offset Requirement Page .....	49
Figure 3: Sample Entry on Statistical Unit (STAT) Page.....	57
Figure 4: Pool/Base Setup using the Statistical Base Type .....	58
Figure 5: Sample Direct Financial Base Type Calculations .....	68
Figure 6: Direct Financial Base Type and the Accumulation Distribution.....	69
Figure 7: Use of Rollups to Define Accounting Distributions.....	84
Figure 8: Cost Allocation Process – Chain, Single Step (CA-TB-006) .....	91
Figure 9: Cost Allocation Process – Chain, Reversal (CA-TB-005) .....	99
Figure 10: Sample CA Document Accounting Lines for an Allocation .....	99
Figure 11: Sample CA Document Accounting Lines for a Reversal .....	100
Figure 12: Sample Entry from the Cost Accounting Journal Summary Inquiry (CAJR) Page.....	103
Figure 13: Example of Cost Allocation Hierarchy for Charge Back Processing .....	112

## List of Tables

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Table 1: Terminology .....	6
Table 2: List of Acronyms .....	8
Table 3: Impact of Wildcards on PBDIST Include Records .....	82
Table 4: Impact of Wildcards on PBDIST Exclude Records.....	83

# About This Training Guide

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## TRAINING GUIDE DESCRIPTION

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The AFIS automated Cost Allocation Process provides a flexible mechanism to allocate costs and/or revenues. This process is based on the concept of allocating costs and revenues from entity-defined pool accounting distributions to base accounting distributions.

This training guide introduces the processes used to set up and maintain Cost Allocation structures in AFIS. When costs and revenue are initially recorded in the system, the grants, projects, or operational accounting distributions to which those transactions should be recorded are not always known. Cost Allocation is the process through which those transactions are initially accumulated, and then later distributed to the appropriate departments or programs.

For some grants, the State has the need to calculate indirect costs for overhead and the resulting accounting entries should impact the Cost Accounting Journal but not the Accounting Journal. For these situations, the Overhead Rate Process is used to calculate eligible indirect costs and to create the appropriate document. The differences between the Cost Allocation and Overhead Rate Processes are explored.

## TRAINING GUIDE OBJECTIVES

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In this training guide, you will:

- Review the navigation of AFIS using tables, documents, and queries
- Examine the Cost Allocation features and processes
- Identify the Cost Allocation query pages and their uses
- Understand the differences between the Overhead Rate Process and the Cost Allocation Process
- Create Cost Allocation hierarchies
- Maintain Cost Allocation hierarchies
- View Cost Allocation (CA) documents generated by the automated Cost Allocation Process
- View Cost Allocation (CA) documents generated to reverse allocations

## TERMINOLOGY

Table 1 includes key terms and definitions specific to this guide.

**Table 1: Terminology**

Term	Description
Accounting distribution	An accounting distribution is a unique combination of Chart of Accounts (COA) elements. It is the mechanism used in the Cost Allocation hierarchy to define the costs or revenue to be captured for distribution (pools) and to define how they should be distributed (bases).
Accounting Journal	The most frequently used journal that contains all debits and credits considered as having a financial accounting impact.
Accumulation distribution	The accounting distribution that defines the transactions used to accumulate dollar totals which in turn are used in calculating percentages for allocation. This is used in Direct Financial Only and Direct and In-stream Financial methods, where the percentage is calculated based on dollars accumulated.
Base	Identifies the departments or programs that are the recipients of the allocation (that will ultimately be charged for the costs). A base is defined by the base accounting distributions associated with it. Expenditure or revenue transactions in the pool are allocated to the accounting distributions associated with the base.
Base Type	Identifies the method used to calculate the allocation percentage. Options are: Fixed Percentage, Statistical, Direct Financial Only, and Direct and Instream Financial.
Charge (CH) document	The document produced by the automated overhead process. Creates a one-sided accounting entry on the Cost Accounting Journal.
Cost Accounting Journal	The main journal used for the cost accounting area as it contains all posting lines with debits and credits having a Program code.
Cost Allocation Process	A flexible process within AFIS that provides the ability to distribute costs or revenue to various accounting distributions on a dollar-for-dollar basis through a system generated Cost Allocation (CA) document.
Cost Allocation Control Setup (ALOC)	The page used to create the highest level of a Cost Allocation hierarchy. It is the umbrella under which the remaining Cost Allocation elements are organized.
Cost Allocation (CA) document	A document produced by the automated Cost Allocation Process. Creates a two-sided entry on the Accounting Journal.
Cost Allocation hierarchy	The Cost Allocation hierarchy is the structure in AFIS that contains Cost Allocation instructions.
Cost Allocation Journal Summary Inquiry (CAJR)	An inquiry page that displays the accounting distribution combinations from the Journal used during the Pool/Base Expansion portion of the automated Cost Allocation Process.
Cost Allocation Process	Used to record parameters for each run of the automated Cost

Term	Description
Parameter (CAPA) page	Allocation Process.
Cost Allocation Series Setup (SRS)	The page used to define the second level in the Cost Allocation hierarchy. Used to group allocations that must be run in a single execution of the Cost Allocation Process.
Cost Allocation Step Setup (STEP)	The page used to define the third level in the Cost Allocation hierarchy. Defines the sequence of allocation calculations within a Cost Allocation Series Setup and identifies the method that is used to calculate the allocation. A Cost Allocation Series Setup entry should have at least one STEP entry.
Cost Allocation Total Inquiry (CTOT)	An inquiry page that displays total amounts for a specific allocation/series/step combination that the system uses to compute allocated amounts.
Department	One element in the AFIS Chart of Accounts structure. This element is associated with an organizational level within the entity.
Direct Financial Only	One of the four Base Types available for calculating the allocation percentage. Using this method, the allocation percentage is calculated by the system using the dollars identified by the base accumulation distributions. The accumulated dollars represent the statistical unit for each base record.
Direct and Instream Financial	One of the four Base Types available for calculating the allocation percentage. This Base Type is currently not being used by the State.
Fixed percentage	One of the four Base Types available for calculating the allocation percentage. Using this method, the allocation percentage is not calculated by AFIS; it is defined at the setup stage for all base records.
Inheritance	Inheritance determines if allocated records will receive (inherit) a field's value from the pool or the base record. Inheritance is set field by field, because different fields will have different rules.
Ledger Record Number	The record number associated with each input ledger record used in the Cost Allocation Process. It is recorded in the Description field on the Pool Accounting line on the Cost Allocation document.
Object Rate Groups (OBJRT)	Provides the ability to create groups of object codes that are eligible (or ineligible) for allocation.
Offset distribution	The accounting distribution used for the credit from the allocation, when different than the accounting distribution that defined the pool.
Operational Expenditures	Non-cost accounting expenditures.
Overhead Rate Process	An automated method to calculate indirect costs based on a percentage of eligible direct costs. The output is a one-sided entry posted on the Cost Account Journal using a Charge (CH) document.
Pool	Identifies the costs or revenues to be allocated. A pool is defined by the pool accounting distributions associated with it. Expenditure or revenue transactions are then identified for allocation, if the Chart of Accounts elements on the document Accounting line match the pool accounting distribution.



<b>Term</b>	<b>Description</b>
Pool/Base Distribution (PBDIST)	Identifies the accounting distributions that define each pool and base. Also used to define offset distributions and accumulation distributions.
Pool/Base Offset Requirement (PBOREQ)	Identifies if a change to each Chart of Accounts element on an offset distribution is required, prohibited, or optional.
Pool/Base Setup (PLBS)	Establishes the pool and base records within the Cost Allocation hierarchy.
Statistical	One of the four Base Types available for calculating the allocation percentage. Using this method, the allocation percentage is automatically calculated during the allocation process based on the statistical units defined on the Pool/Base Setup page for each base record.
Statistical Unit (STAT)	Establishes numeric values for entity-defined statistics; used to calculate an allocation percentage for a Cost Allocation hierarchy using the Statistical Base Type.

## LIST OF ACRONYMS

Table 2 lists the acronyms used in this manual.

**Table 2: List of Acronyms**

<b>Acronym</b>	<b>Definition</b>
AFIS	Arizona Financial Information System
AL	The abbreviation for the Cost Allocation ID used on the CA document
ALOC	Cost Allocation Control Setup page
APD	The abbreviation for the Selection Accounting Period used on the CA document
BSA	Balance Sheet Account
CA	Cost Allocation document
CAJR	Cost Allocation Journal Summary Inquiry page
CAPA	Cost Allocation Parameter page
CH	Charge Transaction document
CID	The abbreviation for the Cost Allocation Parameter ID used on the CA document
COA	Chart of Accounts
CTOT	Cost Allocation Totals Inquiry Page
DS	The abbreviation for the Data Source used on the CA document
FQ	The abbreviation for the Selection Fiscal Quarter used on the CA document
FY	The abbreviation for the Selection Fiscal Year used on the CA document
GAO	General Accounting Office
ID	Identification
JCA	Cost Accounting Journal
JACTG	Accounting Journal
LRN	Ledger Record Number
OBJRT	Object Rate Group page
OVDREXP	Overhead Rate Exception page

Acronym	Definition
PBDIST	Pool/Base Distribution page
PBOREQ	Pool/Base Offset Requirement page
PLBS	Pool/Base Setup page
SR	The abbreviation for the Cost Allocation Series Setup used on the CA document
SRS	Cost Allocation Series Setup page
ST	The abbreviation for the Cost Allocation Step Setup used on the CA document
STAT	Statistical Unit page
STEP	Cost Allocation Step Setup page

# 1. NAVIGATION REFRESHER

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## Learning Objectives

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In this lesson, you will:

- Review the basic access and navigation of a reference table
- Review the basic access and navigation of documents using the Document Catalog
- Review the use of the Jump to field and searching for records on an inquiry page

## Lesson Overview

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As with any software, it is important that users understand how to navigate through various menus and features in order to complete tasks efficiently and accurately. This lesson reviews the navigation of AFIS as it pertains to Cost Allocation processing by looking at reference tables, documents, and inquiries that are used throughout this Cost Allocation course. Understanding the differences between the pages is important because it makes it easier for you to search for a particular type of page. Pages are referred to in two different ways, the Page Description and the Page Code. AFIS uses a web interface to display the types of application pages, which are described below.

### 1.1. Navigation Review: Reference Table

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Reference tables are used to store information within the system. The information in some of these reference tables can be created and modified by anyone with the required security permissions; others are system-maintained and are updated by the system via document updates or offline processes. All reference tables can be accessed via either the Jump to action in the Primary Navigation Panel or Page Search in the Secondary Navigation Panel. This topic examines the Cost Allocation Control Setup (ALOC) reference table.

#### ACTIVITY 1.1:

#### View the Cost Allocation Control Setup (ALOC) Table

##### *Scenario*

Review the structure of reference tables by navigating to the Cost Allocation Control (ALOC) table using Page Search. Expand the components on ALOC to view the information entered in this table. Use the Search command to search for a specific record on ALOC.

##### *Setup*

- ✓ User is logged into the AFIS Home Page.

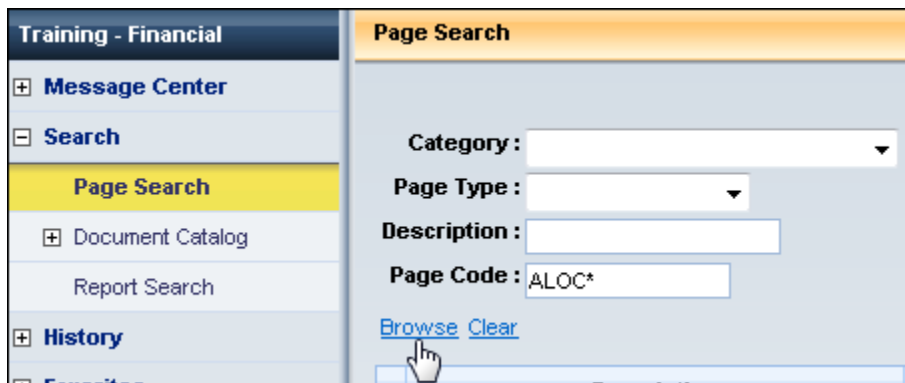
## Steps

A. Navigate to the Cost Allocation Control Setup (ALOC) table using Page Search.

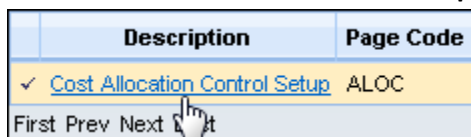
1. On the Secondary Navigation Panel on the left, click **Search** to expand it.



2. Click **Page Search**.
3. In the **Page Code** field, enter **ALOC**.
4. Click **Browse**.



5. Click the **Cost Allocation Control Setup** link. The Cost Allocation Control Setup page is displayed.



B. Use multiple methods to view the fields in each component of the ALOC table.

1. Click the **Expand All** arrow to expand all components.



- Click the **Collapse All** arrow to collapse all components.

- Click **Allocation Information** to expand the Allocation Information component.
- Review the fields available for data entry. Notice the field supported by a drop down list.

- Click **Inheritance Information** to expand the Inheritance Information component.
- C. Search for a specific Cost Allocation structure on the ALOC table, and then return to the Home Page.
- Under the ALOC grid, click **Search**. A search window is displayed.

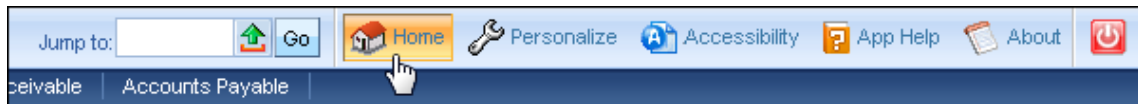
- Notice the field available to search for a specific entry on the ALOC table.

- In the **Allocation Id** field, enter **0200**.

- Click **Ok**. The 0200 allocation is displayed in the ALOC grid.

- Notice the details for this specific allocation are displayed in the fields in both components of the ALOC.

6. Click **Home** in the Primary Navigation Panel to return to the Home Page.



## 1.2. Navigation Review: Document

The information stored in reference tables is updated by documents. Some documents update the information on multiple tables. The Document Catalog is used to create documents and to search for documents based on Code, Department, Unit, or ID. It can also be searched by User Information using Create User ID (created by) and Create Date (created on), as well as by Document State using Function, Phase, or Status fields.

### ACTIVITY 1.2:

#### View the Cost Allocation (CA) Document

##### Scenario

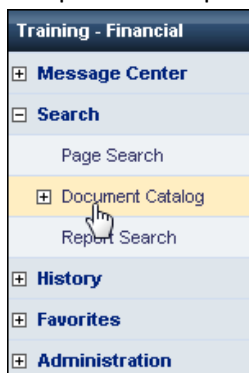
Review how to search for an existing document in the Document Catalog. Navigate within the Cost Allocation (CA) document to review key features of the document structure.

##### Setup

- ✓ User is logged into the AFIS Home Page.

##### Steps

- A. Navigate to the Document Catalog.
  1. On the Secondary Navigation Panel, click **Search**.
  2. Click **Document Catalog**. The Document Catalog is displayed and the Document Identifier component is expanded.



B. Enter search criteria to locate a Cost Allocation (CA) document.

1. In the **Code** field, enter **CA**.
2. In the **Dept** field, enter **200**.
3. Click **Browse**. Notice the number of documents displayed in the grid.

C. Enter search criteria in User Information component to refine the search.

1. Click **User Information** to expand the component.
2. In the **Create Date** field, enter **>01/01/2014**.

3. Click **Browse**. Notice the number of documents displayed in the grid.

**Note:** The wildcard character > tells AFIS to search for all CA documents created after 01/01/2014.

D. Enter search criteria in the Document State component to refine the search.

1. Click **Document State** to expand the component.
2. From the **Phase** drop down list, select **Final**.

3. Click **Browse**. Notice the number of documents displayed in the grid.
4. In the **ID** column, click the link for one of the CA documents. The CA document is displayed.

	Code	Dept.	Unit	ID	Comments	Version	Function	Phase	Status	Date	User ID	Amount	Active
<input type="checkbox"/>	CA	200		<a href="#">CA2015000003</a>	No	1	New	Final	Submitted	10/23/14	jharden	\$0.00	Yes
<input type="checkbox"/>	CA	200		<a href="#">CA2015000004</a>	No	1	New	Final	Submitted	10/23/14	jharden	\$0.00	Yes

- E. When a document is opened, the title bar identifies the document and the Header component is displayed. Review the information displayed in the document title bar.

1. Notice the document code, Dept., ID, Ver., Function, and Phase are identified.

Welcome, Student 2					
<b>Cost Allocation(CA)</b>	<b>Dept:</b> 200	<b>ID:</b> CA2015000003	<b>Ver.:</b> 1	<b>Function:</b> New	<b>Phase:</b> Final

2. Click the drop down arrow to the right of the Phase code to display the Document Menu.

<b>Cost Allocation(CA)</b>	<b>Dept:</b> 200	<b>ID:</b> CA2015000003	<b>Ver.:</b> 1	<b>Function:</b> New	<b>Phase:</b> Final	▼
----------------------------	------------------	-------------------------	----------------	----------------------	---------------------	---

**Header**

**General Information** | Document Information | Extended

**Document Name:**

**Record Date:**

- ♥ Add to Favorites
- 🔍 Page Help
- 💬 Document Comments
- 📎 Document Attachments
- 🕒 Document History
- 🔗 Document References
- 📅 Document Future Triggering
- 📄 Document Forms

3. Notice the fields available in the Header component.

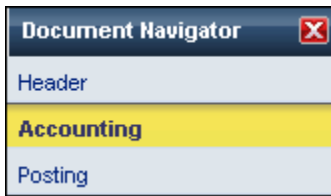
- F. Review document navigation by navigating within the CA document. To navigate within a document, either click the component name or use the Document Navigator panel. For this course, you will use the Document Navigator. Then click Close, and return to the Home Page.

1. Click the **Open Document Navigator** icon (small arrow on left side) to switch to Document Navigator mode.

<b>Header</b>											
<b>General Information</b>   Document Information   Extended Description											
<b>Document Name:</b>											
<b>Record Date:</b> 10/23/2014											
<b>Budget FY:</b> 2015											
<b>Fiscal Year:</b> 2015											
<b>Period:</b> 3											
<b>Document Description:</b> AL: 0200 SR: 1 ST: 1 CID:UATT APD: 3 FY:2015 DS:15											
<b>Actual Amount:</b> \$0.00											
<b>Closed Amount:</b> \$0.00											
<b>Closed Date:</b>											
<table border="1" style="width: 100%;"> <tr> <td><b>Accounting</b></td> <td><b>Total Lines:</b> 3</td> <td><b>Accounting Line:</b> 1</td> <td><b>Line Amount</b></td> </tr> <tr> <td><b>Posting</b></td> <td><b>Total Lines:</b> 1</td> <td><b>Posting Line:</b> 1</td> <td></td> </tr> </table>				<b>Accounting</b>	<b>Total Lines:</b> 3	<b>Accounting Line:</b> 1	<b>Line Amount</b>	<b>Posting</b>	<b>Total Lines:</b> 1	<b>Posting Line:</b> 1	
<b>Accounting</b>	<b>Total Lines:</b> 3	<b>Accounting Line:</b> 1	<b>Line Amount</b>								
<b>Posting</b>	<b>Total Lines:</b> 1	<b>Posting Line:</b> 1									
<div>  Edit            Copy            Copy Forward            Discard         </div>											



- On the Document Navigator, click **Accounting**. The Accounting component is displayed.



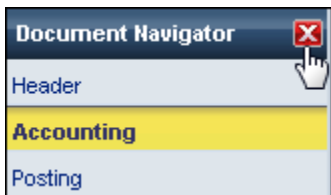
- View the fields available on the General Information tab.

General Information	Reference	Fund Accounting	Detail Accounting	Special Reference
Event Type: CA01				
Accounting Template:				
Line Description: LRN:227				
Line Amount: (\$100,000.00)				
Line Closed Amount: \$0.00				
Line Closed Date:				
		Budget FY: 2015		
		Fiscal Year: 2015		
		Period: 3		
		Charge Class:		
		Charge Class Rate:		
		Charge Units:		
		Bank: BK01		

- Click the **Fund Accounting** tab.
- View the Chart of Accounts fields available on the Fund Accounting tab.

General Information	Reference	Fund Accounting	Detail Accounting	Special Reference
Fund: 9000		Department: 200		OBSA:
Sub Fund:		Unit: 0200		Sub OBSA:
Object: 7270		Sub Unit:		Dept Object:
Sub Object:		Appr Unit: 1000000		Dept Revenue:
Revenue:		BSA:		
Sub Revenue:		Sub BSA:		

- On the Document Navigator, click the red X to collapse it.



- Click the **Maximize/Restore** button, in the upper right corner of the component, to display the component headers.

Cost Allocation(CA) Dept: 200 ID: CA201500003 Ver.: 1 Function: New Phase: Final Modified by jharden , 10/23/2014				
Accounting Total Lines: 3 Accounting Line: 1 Line Amount: (\$100,000.00) Event Type: CA01				
Accounting Line	Line Amount	Event Type	Ref Sub Unit	
1	(\$100,000.00)	CA01		
2	\$60,000.00	CA01		
3	\$40,000.00	CA01		

8. Click the **Posting** component name to expand it.

9. Click the **Open Document Navigator** icon on the left margin to open the Document Navigator.
10. Click the **Close** button in the lower right corner of the document.

11. Click **Home** in the Primary Navigation Panel to return to the Home Page.

### 1.3. Navigation Review: Inquiry Pages

Inquiry pages allow you to search for and view detailed or summary information from the AFIS database. These pages are generally used for viewing and cannot be used to modify data. Information in most inquiries is updated real time. For example, the Cost Allocation Journal Summary Inquiry (CAJR) page allows you to view the accounting distribution combinations used during the automated Cost Allocation Process.

#### ACTIVITY 1.3:

#### View the Cost Allocation Journal Summary Inquiry (CAJR) Page

##### Scenario

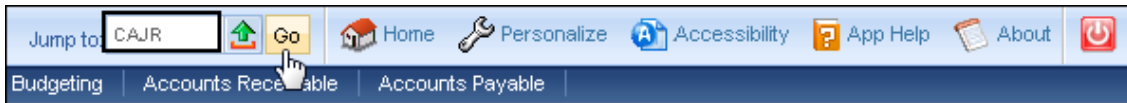
Use the Jump to field to quickly navigate to the CAJR page. Review how to search for information and the navigation tools available on an inquiry page.

##### Setup

- ✓ User is logged into the AFIS Home Page.

## Steps

- A. Using the Jump to field, navigate to the Cost Allocation Journal Summary Inquiry page and search for the Major Program budget.
1. On the Primary Navigation Panel, in the **Jump to** field, enter **CAJR**.
  2. Click **Go**. The CAJR page opens and a search window is displayed. The CAJR page is an example of an inquiry page with the Search layout.



3. In the **Fund** field, enter **9000**.
4. In the **Department** field, enter **200**.
5. In the **Major Program** field, enter **20000**.
6. Click **Ok**. The entries that meet the search criteria are displayed in the grid.

<b>Fiscal Year :</b>	<input type="text"/>	<b>Object :</b>	<input type="text"/>
<b>Budget Fiscal Year :</b>	<input type="text"/>	<b>Activity :</b>	<input type="text"/>
<b>Fiscal Period :</b>	<input type="text"/>	<b>Revenue :</b>	<input type="text"/>
<b>Fund :</b>	9000	<b>Posting Code :</b>	<input type="text"/>
<b>Department :</b>	200	<b>Major Program :</b>	200000
<b>Unit :</b>	<input type="text"/>	<b>Program :</b>	<input type="text"/>
<b>BSA :</b>	<input type="text"/>		

Ok Clear Cancel

- B. Review the information on accounting distributions used in the Cost Allocation Process for Fund, Department, then click Close, and return to the Home Page.
1. Click the **Expand All** button to expand all of the components.
  2. In the **Fund Accounting** component, notice Fund 9000 and Object 7270.

▼ **Fund Accounting**

<b>Fund :</b>	9000	<b>Object :</b>	7270
<b>Sub Fund :</b>	<input type="text"/>	<b>Sub Object :</b>	<input type="text"/>
<b>BSA :</b>	<input type="text"/>	<b>Revenue :</b>	<input type="text"/>
<b>Sub BSA :</b>	<input type="text"/>	<b>Sub Revenue :</b>	<input type="text"/>
<b>BSA Type :</b>	<input type="text"/>		

3. In the **Organizational** component, notice Department 200 and Unit 0200.

▼ **Organizational**

<b>Government Branch :</b>	02	<b>Section :</b>	<input type="text"/>
<b>Cabinet :</b>	01	<b>District :</b>	<input type="text"/>
<b>Division :</b>	200	<b>Bureau :</b>	<input type="text"/>
<b>Department :</b>	200	<b>Unit :</b>	0200
<b>Group :</b>	<input type="text"/>	<b>Sub Unit :</b>	<input type="text"/>

4. In the **Cost Accounting** component, notice Major Program 20000.
5. Click **Close**.

6. Click **Home** in the Primary Navigation Panel to return to the Home Page.

## Lesson Summary

---

In this lesson you:

- Reviewed the basic access and navigation of a reference table
- Reviewed the basic access and navigation of documents using the Document Catalog
- Reviewed the use of the Jump to field and searching for records on an inquiry page

## Check Your Progress

---

1. The Document Catalog is used to create documents and to search for documents.
  - a. True
  - b. False
2. Reference pages can only be accessed using Page Search.
  - a. True
  - b. False
3. Inquiry pages most commonly are used to view detailed or summary information from the AFIS database.
  - a. True
  - b. False

## 2. OVERVIEW OF COST ALLOCATION

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### Learning Objectives

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In this lesson, you will:

- Identify the differences between the Overhead Rate and Cost Allocation processes
- List and define the required components of the Cost Allocation structure in AFIS
- List and define the optional components of the Cost Allocation structure in AFIS
- Differentiate between a pool and a base

### Lesson Overview

---

The uses of and differences between the Overhead Rate and Cost Allocation processes are identified.

The setup of Cost Allocation structures is introduced and the key terms of pool, base, accounting distribution, and inheritance are defined.

The required elements (Cost Allocation Control ID, Cost Allocation Series Setup, Cost Allocation Step Setup, Pool/Base Setup, and Pool/Base Distribution) and optional elements (Pool/Base Offset Requirement, Statistical Unit, and Object Rate Groups) of a Cost Allocation hierarchy are identified.

### 2.1. The Overhead Rate and Cost Allocation Processes

---

AFIS provides several methods to manage the calculation and posting of direct and indirect costs. The method used will depend on the accounting requirements of the State and/or the requirements imposed by the funding source. This topic provides an overview of the features and output of the Overhead Rate and Cost Allocation processes.

#### Overhead Rate Process

The AFIS Overhead Rate Process is distinctly different than the Cost Allocation process. The key characteristics of the Overhead Rate Process are as follows:

- The Overhead Rate Process is setup on the Major Program page, which is used for grants and projects accounting; therefore, this process applies only to grant and project expenditures. It does not apply to revenue and it cannot be used for operational expenditures (non-cost accounting transactions).
- These indirect costs are calculated as a fixed percentage of eligible direct costs. A default percentage is set for the project or grant; however, this may be modified using the Overhead Rate Exception (OVDREXP) page for specific Object codes, Activity codes, or Program codes within the project or grant Major Program.

- The entry on the Accounting Journal (JACTG) for the eligible direct costs remains unchanged by the Overhead Rate Process.
- The output of the Overhead Rate Process is a one-sided entry posted on the Cost Accounting Journal (JCA) using a Charge (CH) document. There is the option to retain the accounting distribution from the source transactions (direct cost transactions) on the CH document or the CH document can be created with an accounting distribution different than the source transaction.

**Note:** *The Cost Accounting training guide provides detailed information on the Cost Accounting setup for projects and grants.*

See the Comparison of Output from Overhead, Charge Back, Charge Back with Offset Distribution, and Cost Allocation Processes section of the Appendix for sample accounting entries generated by the Overhead Rate Process.

## Cost Allocation

The output of the Cost Allocation process is a two-sided entry to the Accounting Journal; however, the purpose of this process is to distribute costs or revenue on a dollar-for-dollar basis rather than to calculate additional, indirect costs. The output of the Cost Allocation can credit either the original or an offset accounting distribution, and the accounting distribution for the debit entry is partially or totally different from the originating accounting distribution. See the Comparison of Output from Overhead, Charge Back, Charge Back with Offset Distribution, and Cost Allocation Processes section of the Appendix for sample accounting entries generated by the Cost Allocation process.

The remainder of this lesson will introduce the characteristics and setup of a Cost Allocation structure.

## 2.2. Cost Allocation Overview

Cost allocation is a flexible process within AFIS that distributes costs or revenue to various accounting distributions, on a dollar-for-dollar basis. At the time costs are initially recorded in the system, the grant, project, or operational accounting distributions to which those costs should be recorded are not always known. AFIS tracks these costs, and then later, using the automated Cost Allocation Process, distributes the costs to the proper programs based on instructions defined in the Cost Allocation hierarchy.

For the purposes of this course, the examples used will refer to allocation of costs, which is the most common type of Cost Allocation; however, the same processes can be applied to revenue, if the ultimate recipients of revenue are not known at the time the revenue is received.

Cost Allocation consists of four steps:

1. Establish a Cost Allocation hierarchy in AFIS to identify the transactions to be allocated, how they must be allocated, and the recipients of the allocation.
2. Enter transactions in AFIS.
3. Execute the Ledger Engine process to update the ledgers and post the transactions.

4. Execute the automated Cost Allocation Process to perform the allocation.

## 2.3. Cost Allocation Terminology

---

Unique terms are used to define the components and features of the Cost Allocation Process in AFIS. The following list introduces key terms associated with Cost Allocation:

- **Cost allocation hierarchy** - The Cost Allocation hierarchy is the structure in AFIS that contains Cost Allocation instructions.
- **Cost Allocation Process** - The Cost Allocation Process is a series of automated batch jobs that perform the allocations in AFIS.
- **Accounting distribution** - An accounting distribution is a unique combination of Chart of Accounts (COA) elements. It is the mechanism used in the Cost Allocation hierarchy to define the costs or revenue to be captured for distribution (pools) and to define how they should be distributed (bases).
- **Pool** - The pool identifies the costs or revenues to be allocated. A pool is defined by the pool accounting distributions associated with it. Expenditure or revenue transactions are then identified for allocation, if the Chart of Accounts elements on the document Accounting line match the pool accounting distribution.
- **Base** - The base identifies the departments or programs that are the recipients of the allocation (that will ultimately be charged for the costs). A base is defined by the base accounting distributions associated with it. Expenditure or revenue transactions in the pool are allocated to the accounting distributions associated with the base.
- **Offset distribution** - The accounting distribution used for the credit from the allocation, when different than the accounting distribution that defined the pool.
- **Inheritance** - Inheritance determines if allocated records will receive (inherit) a field's value from the pool or the base record. Inheritance is set field by field, because different fields will have different rules.

Although other terms and concepts associated with Cost Allocation are introduced in this course; these terms provide the foundation for learning and understanding how this process works in AFIS.

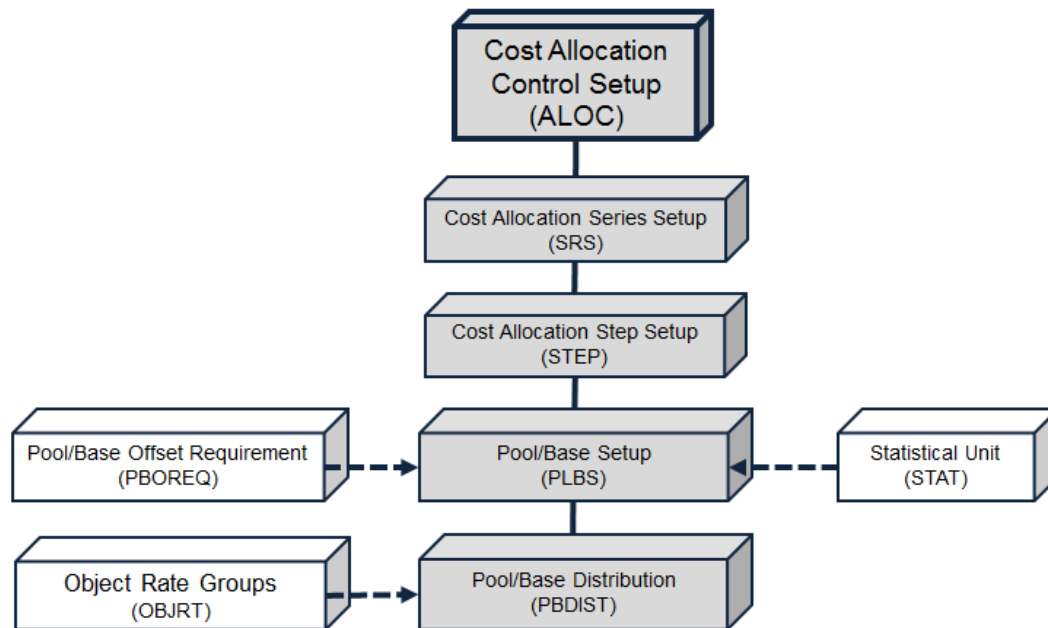
## 2.4. Cost Allocation Hierarchy

---

The Cost Allocation Process begins with the creation of a Cost Allocation hierarchy, which identifies the costs or revenue to be allocated, how the allocation must be made, and the recipients of the allocation. The Cost Allocation hierarchy is based on eight pages; five pages are required elements and three pages are optional elements.

Figure 1 illustrates the parent-child structure that exists in the hierarchy and identifies the required pages (shaded boxes) and optional pages (unshaded boxes), in the Cost Allocation hierarchy. Each element is defined below and discussed in more detail in the next lesson.

Figure 1: Cost Allocation Pages



## Required Cost Allocation Elements

The required elements, and their role in a Cost Allocation hierarchy, are as follows:

- **Cost Allocation Control Setup (ALOC)** - The ALOC establishes a control record that is the element at the top of the hierarchy: it is the umbrella under which the remaining Cost Allocation elements are organized. The ALOC identifies global characteristics about the allocation.
- **Cost Allocation Series Setup (SRS)** - An entry on the SRS page is commonly called a Series. At least one Series must be established for each Allocation hierarchy. Additional Series are set up when multiple groups of expenditures or revenues must be allocated, during a single run of the automated Cost Allocation Process.
- **Cost Allocation Step Setup (STEP)** - An entry on the STEP page is commonly called a Step. The Step defines the sequence of allocation calculations within a Series and identifies the method that is used to calculate the allocation.
- **Pool/Base Setup (PLBS)** - The PLBS page establishes the pool and base records within the hierarchy.
- **Pool/Base Distribution (PBDIST)** - The PBDIST identifies the accounting distributions and accumulation distributions that define each pool and base (accumulation distributions are defined in more detail in the next lesson).



## Optional Cost Allocation Elements

The optional elements, and their roles in a Cost Allocation hierarchy, are as follows:

- **Pool/Base Offset Requirement (PBOREQ)** - The PBOREQ is used to support a Cost Allocation hierarchy that requires offset distribution. The credit from the allocation must be posted to an accounting distribution different than that of the pool accounting distribution. The entry on PBOREQ identifies if a change to each COA element on an offset distribution is required, prohibited, or optional.
- **Statistical Unit (STAT)** - The STAT establishes numeric values for State-defined statistics used to calculate an allocation percentage for a Cost Allocation hierarchy, using the Statistical Base Type.
- **Object Rate Groups (OBJRT)** - The OBJRT establishes groups of object codes that are all eligible, or ineligible, for allocation. Object Rate Groups are used to simplify data entry, when creating Cost Allocation hierarchies.

A Cost Allocation hierarchy can be as simple or as complex as needed to meet the allocation needs of the State. For each Cost Allocation structure, there must be at least one entry on each of the required pages identified above; however, there may be multiple Series, Steps, Pools, and Bases identified, in order to fully define the allocation requirements. Many Cost Allocation hierarchies are required to accommodate the cost and revenue allocation needs of the State.

## Lesson Summary

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In this lesson, you:

- Identified the differences between the Overhead Rate and Cost Allocation processes
- Listed and defined the required components of the Cost Allocation structure in AFIS
- Listed and defined the optional components of the Cost Allocation structure in AFIS
- Differentiated between a pool and a base

## Check Your Progress

---

1. Of the eight pages used to define a Cost Allocation hierarchy, entries on the \_\_\_\_\_ pages are optional.
  - a. Cost Allocation Control Setup and Cost Allocation Series Setup
  - b. Cost Allocation Step Setup and Pool/Base Setup
  - c. Pool/Base Offset Requirement, Statistical Unit, and Object Rate Groups
  - d. Pool/Base Distribution and Accounting Distribution

2. A pool \_\_\_\_\_.
  - a. Identifies the costs or revenues to be allocated.
  - b. Identifies the departments or programs that are the recipients of the allocation.
  - c. Identifies the accounting distribution to credit, when different than the base.
3. A base \_\_\_\_\_.
  - a. Identifies the costs or revenues to be allocated.
  - b. Identifies the departments or programs that are the recipients of the allocation.
  - c. Identifies the accounting distribution to credit, when different than the pool.
4. Inheritance determines if allocated records will receive (inherit) a field's value from the pool or the base record.
  - a. True
  - b. False

## 3. ESTABLISHING A COST ALLOCATION HIERARCHY

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### Learning Objectives

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In this lesson, you will:

- Identify the three levels of the Cost Allocation hierarchy at which inheritance rules can be established
- List and define the Base Types available to assign or calculate Cost Allocation percentages
- Differentiate between an accounting distribution, an accumulation distribution, and an offset distribution
- Create a Cost Allocation hierarchy using a Fixed Percentage Allocation
- View an entry on the Pool/Base Offset Requirement (PBOREQ) page
- Create a pool offset distribution record on the PBDIST page
- View an entry on the Object Rate Groups (OBJRT) page

### Lesson Overview

---

A Cost Allocation hierarchy is established by entering data in the required and optional pages, listed below. The optional pages are utilized, if necessary, for the requirements of the specific allocation.

- Cost Allocation Control ID (ALOC) - required
- Cost Allocation Series Setup (SRS) - required
- Cost Allocation Step Setup (STEP) - required
- Pool/Base Setup (PLBS) - required
- Pool/Base Distribution (PBDIST) - required
- Pool/Base Offset Requirement (PBOREQ) - optional
- Statistical Unit (STAT) - optional
- Object Rate Groups (OBJRT) - optional

In addition to reviewing each of these pages in detail, this lesson will define the key concepts of Base Type and accumulation distributions, while further exploring the concepts of inheritance and offset distributions.

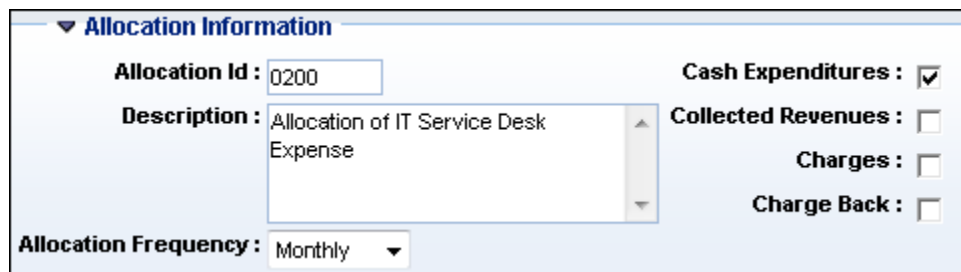
### 3.1. Cost Allocation Control Setup (ALOC)

The Cost Allocation Control Setup (ALOC) page establishes a control record that is the element at the top of the hierarchy: all related elements fall beneath this element in the hierarchy. The ALOC consists of the Allocation Information and Inheritance Information components. ALOC records are added and maintained by GAO.

#### Allocation Information Component

The Allocation Information component establishes the global characteristics of the allocation hierarchy, including the Allocation Control ID, which is the unique identifier for the Cost Allocation hierarchy. Key fields in this component are:

- **Allocation Id** - The unique identifier for the allocation record
- **Description** - A description of the allocation's purpose may be entered
- **Allocation Frequency** - Identifies how frequently the allocation is executed. Options in this field are Daily, Monthly, Quarterly, and Annual
- **Allocation Type** - The allocation may be for expenditures (cash expenditures and/or charges), revenue, or charge back. Select the appropriate check box (or check boxes) in the Allocation Information component, to identify the type of allocation. The options are:
  - **Cash Expenditures** - Select this check box if expenditures are to be allocated. Charges may be selected with Cash Expenditures in the same allocation; however, the Cash Expenditures check box may not be selected in combination with Collected Revenues or Charge Back flags
  - **Collected Revenue** - Select this check box if revenues are to be allocated. No other check box may be selected in combination with the Collected Revenue check box
  - **Charges** - Select this check box if Charges (and Revenue Credits) are to be allocated. Charges may be selected with Cash Expenditures in the same allocation; however, the Charges check box may not be selected in combination with Collected Revenues or Charge Back flags
  - **Charge Back** - Select the Charge Back check box if the allocation is being used for processing indirect costs. No other check box may be selected in combination with the Charge Back check box



**Allocation Information**

**Allocation Id :** 0200

**Description :** Allocation of IT Service Desk Expense

**Allocation Frequency :** Monthly

**Cash Expenditures :** ☒

**Collected Revenues :** ☐

**Charges :** ☐

**Charge Back :** ☐

**Note:** Currently, the State is not using Charge Back allocations. If there is a future need to calculate indirect costs for overhead by creating a two-sided accounting entry that does impact the Accounting Journal, the Charge Back Process may be used, as discussed in the Appendix.

## Inheritance Information Component

The Inheritance Information component on the ALOC establishes default inheritance rules for each Chart of Accounts element type. Inheritance rules instruct AFIS to use the COA value from either the pool source transaction accounting line or as defined on the base accounting distribution, when creating the base accounting line for the allocation document. Inheritance is set on a field-by-field basis, because inheritance rules may vary based on the COA element used.

Two options exist for each field in the Inheritance Information component of the ALOC record: pool or base. If the COA element should be inferred from the pool accounting line on the source transaction, select Pool; if the COA element should be inferred from the base accounting distribution on the Pool/Base Distribution page, select Base.

Inheritance rules established in the Inheritance Information component of the ALOC record are the default values for the entire Cost Allocation hierarchy; however, these inheritance rules may be modified at Series or Step levels of the hierarchy. When setting up the Allocation ID record, at least one of the inheritance type fields must be set to Base.

▼ Inheritance Information	
Fund Inheritance Type :	Base ▼
Object/Revenue Inheritance Type :	Pool ▼
Balance Sheet Account Inheritance Type :	Pool ▼
Appropriation Unit Inheritance Type :	Base ▼
Department/Unit Inheritance Type :	Base ▼
Location Inheritance Type :	Pool ▼
Activity Inheritance Type :	Pool ▼
Function Inheritance Type :	Pool ▼
Reporting Inheritance Type :	Pool ▼
Dept Object/Revenue Inheritance Type :	Pool ▼
Task Inheritance Type :	Pool ▼
Task Order Inheritance Type :	Pool ▼
Major Program/Program Inheritance Type :	Pool ▼

### ACTIVITY 3.1

#### View an Allocation Id

##### Scenario

Your organization must allocate IT Service Desk expenses to the Department of Administration and the Department of Revenue. Begin by locating the ALOC record set up by GAO.

**Note:** Normally, expenses will be allocated to many departments or programs; however, only a portion of the Cost Allocation hierarchy is configured in this training course for purposes of clarity. In addition, some configuration may be included for instructional purposes and may not represent a typical allocation.

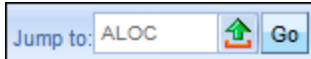
## Setup



- ✓ User is logged in to the AFIS Home Page.
- ✓ An ALOC Id has been established for each student.

## Steps

- A. Navigate to the Cost Allocation Control Setup (ALOC) page and search for the Allocation Id created by GAO.

1. In the **Jump to** field, enter **ALOC**.

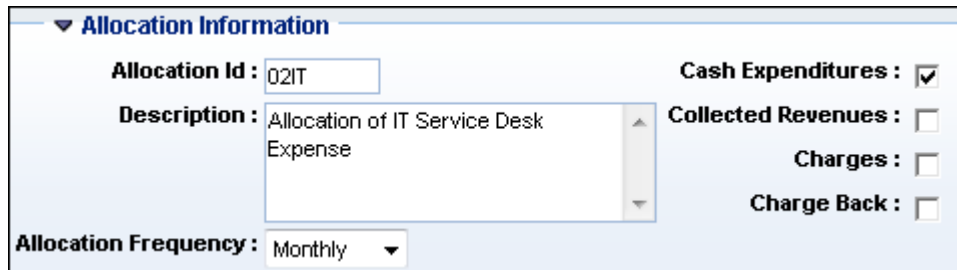


Jump to: ALOC  

2. Click **Go**. The Cost Allocation Control Setup page is displayed.
3. Click **Search**. A Search window is displayed.
4. In the **Allocation Id** field, enter **XXIT** where XX are the two digits from your Student ID.
5. Click **Ok**. The Cost Allocation Control Setup record for your Student ID is displayed.

- B. View the information displayed in the Allocation Information component.

1. Notice the **Allocation Frequency** is **Monthly**.
2. Notice the **Cash Expenditures** check box is checked, indicating this allocation is for expenditures.



**Allocation Information**

Allocation Id : 02IT

Description : Allocation of IT Service Desk Expense

Allocation Frequency : Monthly

Cash Expenditures : ☒

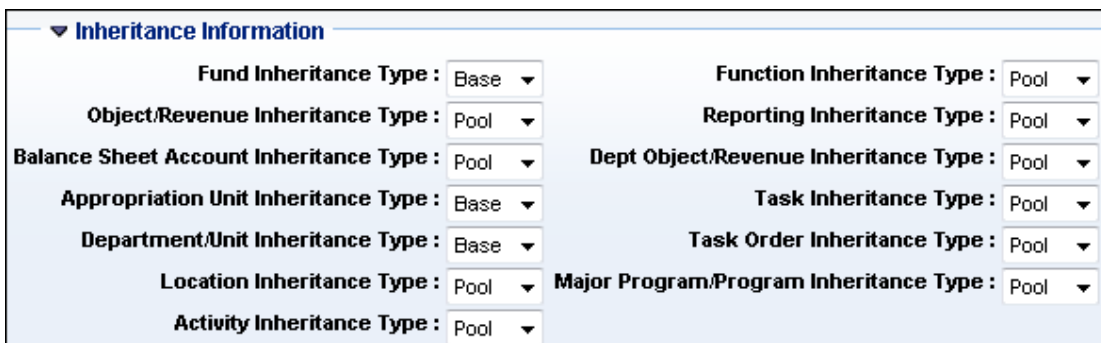
Collected Revenues : ☐

Charges : ☐

Charge Back : ☐

- C. View the default inheritance rules established in the Inheritance Information component and then return to the Home Page.

1. Click the arrow beside **Inheritance Information**, to expand that component.
2. Notice the **Fund Inheritance Type**, **Appropriation Unit Inheritance Type**, and **Department/Unit Inheritance Type** fields instruct AFIS to inherit information from the Base record. The remaining elements will be inherited from the Pool record.



**Inheritance Information**

Fund Inheritance Type : Base	Function Inheritance Type : Pool
Object/Revenue Inheritance Type : Pool	Reporting Inheritance Type : Pool
Balance Sheet Account Inheritance Type : Pool	Dept Object/Revenue Inheritance Type : Pool
Appropriation Unit Inheritance Type : Base	Task Inheritance Type : Pool
Department/Unit Inheritance Type : Base	Task Order Inheritance Type : Pool
Location Inheritance Type : Pool	Major Program/Program Inheritance Type : Pool
Activity Inheritance Type : Pool	

3. Click **Home** in the Primary Navigation Panel to return to the Home Page.

### 3.2. Cost Allocation Series Setup (SRS)

For each Allocation Control ID there must be at least one entry on the Cost Allocation Series Setup (SRS) page, often referred to as a Series. Multiple Series can be established, if multiple groups of expenditures or revenues must be allocated, during a single run of the automated Cost Allocation process. The SRS consists of the Series Information and Inheritance Information components. SRS entries are maintained by GAO.

#### Navigating within the Cost Allocation Hierarchy

The SRS page is different from most pages in AFIS, because the most effective way to navigate to the page is through a link at the lower left corner of the ALOC page. This is because each entry on the SRS page is a child record of the associated record on the Cost Allocation Control ID page. This is true of the other required pages used to create the Cost Allocation hierarchy (STEP, PLBS, and PBDIST). Links are provided on each page to navigate up and down the hierarchy. When the links are used to navigate to the lower levels of the hierarchy, AFIS infers the codes established for the higher levels of the hierarchy.

**Cost Allocation Control Setup**

Allocation Id
✓ 02IT

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

▼ **Allocation Information**

Allocation Id : 02IT

Description : Allocation of IT Service Desk Expense

Allocation Frequency : Monthly

Cash Expenditures : ☒

Collected Revenues : ☐

Charges : ☐

Charge Back : ☐

► **Inheritance Information**

[Top](#)

[Cost Allocation Series Setup](#)

**Note:** Standard page navigation using Page Search or the Jump to field may be used; in these cases, fields that would be inferred using the links must be manually entered or selected from the pick list.

## Series Information Component

The Series Id field in the Series Information component is used to identify each Series within the allocation hierarchy. The Series Description field is used to define the purpose of the series, if multiple series are established.

**Cost Allocation Series Setup**

Allocation Id	Series Id
✓ 02IT	1

First Prev Next Last

[Save](#) [Undo](#) [Delete](#) [Insert](#) [Copy](#) [Paste](#) [Search](#)

▼ **Series Information**

**Allocation Id :** 02IT

**Series Id :** 1

**Series Description :** Allocation of IT Service Desk Expense to Departments

## Inheritance Information Component

Inheritance of COA elements can be defined at the Series level, if different than the rules set at the ALOC level. The options for each field in this component are Pool, Base, and Default. Retaining the value of Default will defer to the inheritance rule set at the ALOC level.

Establishing the Inheritance Type on the SRS record allows a Series to inherit more entries from the base than previously identified on the ALOC record. Each Series associated with an Allocation ID can have a different set of inheritance settings.

▼ **Inheritance Information**

<b>Fund Inheritance :</b> Default ▼	<b>Function Inheritance :</b> Default ▼
<b>Object/Revenue Inheritance :</b> Default ▼	<b>Reporting Inheritance :</b> Default ▼
<b>Balance Sheet Account Inheritance :</b> Default ▼	<b>Dept Object/Revenue Inheritance :</b> Default ▼
<b>Appropriation Unit Inheritance :</b> Default ▼	<b>Task Inheritance :</b> Default ▼
<b>Department/Unit Inheritance :</b> Default ▼	<b>Task Order Inheritance :</b> Default ▼
<b>Location Inheritance :</b> Default ▼	<b>Major Program/Program Inheritance :</b> Default ▼
<b>Activity Inheritance :</b> Default ▼	



**ACTIVITY 3.2****View a Series****Scenario**

View the entry on the SRS page created by GAO, which will further define the hierarchy to allocate IT Service Desk expenses to the Department of Administration and the Department of Revenue.

**Setup**

- ✓ User is logged in to the AFIS Home Page.
- ✓ An Allocation Id has been established on ALOC for each student.
- ✓ A Series Id has been established on SRS for each student.

**Steps**

- A. Locate your Allocation Id on the Cost Allocation Control ID page.
  1. In the **Jump to** field, enter **ALOC**.
  2. Click **Go**. The Cost Allocation Control Setup page is displayed.
  3. Click the **Search** link. A Search window is displayed.
  4. In the **Allocation Id** field, enter **XXIT** where XX are the two digits from your Student ID.
  5. Click **OK**.
  6. Verify that the Allocation Id you viewed in Activity 3.1 is displayed.

Cost Allocation Control Setup	
Allocation Id	
✓	02IT
First Prev Next Last	

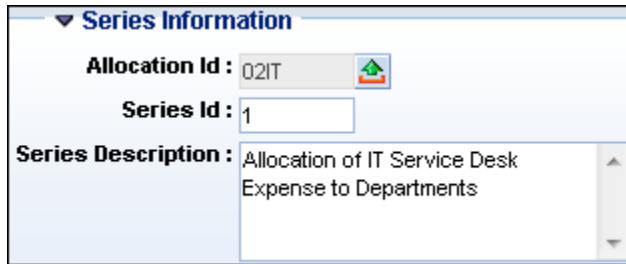
- B. Navigate to the Series (SRS) page and view the information displayed in the Series Information component.
  1. On the lower left corner of the **ALOC**, click the **Cost Allocation Series Setup** link. The Cost Allocation Series Setup page is displayed.

[Cost Allocation Series Setup](#)

2. Notice there are two Series displayed in the grid. For this activity, you will review the information displayed in Series 1, so verify there is a check mark to the left of Series Id 1.

Cost Allocation Series Setup	
Allocation Id	Series Id
✓ 02IT	1
02IT	2

3. In the **Series Description** field, notice the description *Allocation of IT Service Desk Expense to Departments*.



The screenshot shows a 'Series Information' component with the following fields:

- Allocation Id :** 02IT (with a small icon to the right)
- Series Id :** 1
- Series Description :** Allocation of IT Service Desk Expense to Departments

- C. View the Inheritance Information component, and then return to the Home Page.
  1. Click the **Inheritance Information** component to expand it.
  2. Notice that each field in the component defaults to **Default**. This indicates that the inheritance rules established on the ALOC will not be overridden for this allocation hierarchy at the SRS level.
  3. Click **Home** in the Primary Navigation Panel to return to the Home Page.

### 3.3. Cost Allocation Step Setup (STEP)

For each Series there must be at least one entry on the Cost Allocation Step Setup (STEP) page, often referred to as a Step. There may be multiple Steps if needed. The Step defines the sequence of allocation calculations within a Series. The STEP consists of the Step Information and Inheritance Information components.

The STEP page is a child of the SRS page, so if there are multiple entries on SRS, ensure the correct record is highlighted in the SRS grid. Then, navigate to STEP, by clicking the Cost Allocation Step Setup link on the SRS page. Click Insert to create a new record on the STEP page.

#### Step Information Component

In the Step Information component, the Allocation Id and Series Id are inferred from the higher levels of the hierarchy, when the navigation link is used. The Step No and Description fields are used to define each Step within the hierarchy.

The Base Type is a key option that is set at the Step level. The Base Type defines how the allocation is calculated. The options are: Fixed Percentage, Statistical, Direct Financial Only, and Direct and Instream Financial.

Allocation Id	Series Id	Step No
✓ 02IT	1	1

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

**Step Information**

Allocation Id : 02IT

Series Id : 1

Step No : 1

Description : Allocation of IT Service Desk Expense to Departments

Base Type : Fixed Percentage

Charge Back Object :

### *Fixed Percentage*

The Fixed Percentage Base Type is used when the percentage to be allocated to each base is known and/or manually calculated. The allocation percentage is then entered for each base, on the Pool/Base Setup page. The sum of the allocation percentages for all bases, in a single step, must equal 100%. For example, if IT Service Desk expenses must be allocated to departments based on a manually assigned percentage, the Fixed Percentage Base Type is selected.

### *Statistical*

For the Statistical Base Type, the allocation percentage is calculated by AFIS, based on the Statistical Record ID defined for each base record on the Statistical Unit (STAT) page. The Statistical Unit may be square footage, number of employees, number of telephones, or any other measurable parameter. For example, if utilities must be allocated to departments based on the square footage occupied by the department, the Statistical Base Type is used. The Statistical Base Type is discussed in more detail in Lesson 4.

### *Direct Financial Only*

For the Direct Financial Only Base Type (commonly called Direct Financial), allocation percentage is calculated by AFIS based on actual expenditures during a specific time frame. This may be referred to as a spending-based allocation because the allocation percentage is calculated by the amount each base contributes to the total expenditures defined and accumulated during a specific time frame. The Direct Financial Base Type is discussed in more detail in Lesson 4.

### *Direct and Instream Financial*

The Direct and Instream Financial Base Type is a two-step allocation process. The first step may be an allocation calculated using any one of the Base Types. The output of the first allocation (in part or in total) is then included in the accumulation for a Direct Financial allocation that constitutes the second step of the allocation. Currently, the Direct and Instream Financial Base Type will not be used by the State for Cost Allocation purposes.

### *Charge Back Object*

If the hierarchy is established for Charge Back processing, the object code that should be used for the credit is identified in the Charge Back Object field. The appendix provides additional information about setting up a Charge Back allocation structure. This functionality is currently not in use.

Charge Back Object : <input type="text"/>
---

## Inheritance Information Component

The Step is the lowest level of the Cost Allocation hierarchy available to define COA inheritance. The options are Pool, Base, and Default. Retaining the value of Default will defer to the inheritance rules set at the SRS or ALOC levels.

Establishing the Inheritance Type on the STEP record allows a Step to inherit more entries from the base than previously identified on the ALOC and SRS records. Each Step associated with a Series ID can have a different set of inheritance settings.

### ACTIVITY 3.3

#### Create a Step

##### *Scenario*

A single entry on the STEP page will further define the hierarchy necessary to allocate IT Service Desk expenses to the Department of Administration and the Department of Revenue. Costs will be allocated using the Fixed Percentage Base Type. For this scenario, the inheritance rules set at the ALOC level will be utilized and will not be modified at the SRS or STEP levels.

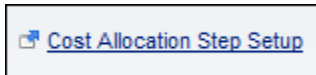
### *Setup*

- ✓ User is logged in to the AFIS Home Page.
- ✓ The Allocation Id has been established on the ALOC for each student.
- ✓ A Series Id has been established on the SRS for each student.

### *Steps*

- A. Locate the Allocation Id viewed in Activity 3.1.
  1. In the **Jump to** field, enter **ALOC**.
  2. Click **Go**. The Cost Allocation Control Setup page is displayed.
  3. Click the **Search** link.

4. In the **Allocation Id** field, enter **XXIT** where XX are the two digits from your Student ID.
  5. Click **OK**. The Allocation Id you viewed in Activity 3.1 is displayed.
- B. Navigate to the Series Id viewed in Activity 3.2.
1. On the lower left corner of the **ALOC**, click the **Cost Allocation Series Setup** link. The Cost Allocation Series Setup page is displayed.
- C. Navigate to the Cost Allocation Step Setup (STEP) page and complete the Step Information component.
1. Below the Inheritance Information component, click the **Cost Allocation Step Setup** link.



2. Click the **Insert** link.
3. In the **Step No** field, enter **1**.
4. In the **Description** field, enter **Allocation of IT Service Desk Expense to Departments**.
5. From the **Base Type** drop down list, select **Fixed Percentage**.

 The screenshot shows a web form titled "Cost Allocation Step Setup" in an orange header bar. Below the header is a table with columns "Allocation Id", "Series Id", and "Step No". The first row has a checkmark, "02IT", and "1". Below the table are "First", "Prev", "Next", and "Last" links. A toolbar contains "Save", "Undo", "Delete", "Insert", "Copy", "Paste", "Search", and two printer icons. A section titled "Step Information" is expanded, showing fields for "Allocation Id" (02IT), "Series Id" (1), "Step No" (1), "Description" (Allocation of IT Service Desk Expense to Departments), "Base Type" (Fixed Percentage), and "Charge Back Object" (empty).

- D. View the Inheritance Information component, and then return to the Home Page.
1. Click the **Inheritance Information** component to expand it.
  2. Notice that each field in the component defaults to **Default**. Since the inheritance rules established on the ALOC will be utilized for this allocation hierarchy, these fields will retain the default value.
  3. Click the **Save** link.
  4. Click **Home** in the Primary Navigation Panel to return to the Home Page.

### 3.4. Pool/Base Setup (PLBS)

---

Entries on the Pool/Base Setup (PLBS) page establish each pool and base within the hierarchy, and set key characteristics of the pool or base record.

The PLBS page is a child of the STEP page, so if there are multiple entries on STEP, ensure the correct record is highlighted in the STEP grid. Then navigate to PLBS, by clicking the Pool/Base Setup link on the STEP page.

#### Pools

The departments or programs that should be charged for the costs are not always known at the time costs are initially recorded in the system. The mechanism used by AFIS to identify costs to be allocated is a pool. Pools are identified in AFIS by the specific Chart of Accounts elements identified on pool accounting distribution(s).

#### Bases

The projects, grants, or operational accounting distributions that are the recipients of the allocation (that will ultimately be charged for the costs) are called bases. Like pools, bases are identified in AFIS by the specific COA elements identified on a base accounting distribution. When the automated Cost Allocation Process is run, the pool accounting distribution will be credited, and the base accounting distributions will be charged.

#### Relationship of Pools and Bases

For each Step there must be at least one pool. Multiple pool records can be entered for a single Step to identify all the selection criteria needed to identify the total source records to be allocated.

At least one pool record must be created before a base record may be created. Each Step normally has at least two bases; however, some may have multiple bases. Multiple base records can be entered for a single Step to identify all the destinations for the allocated records.

**Pool/Base Setup** [Menu Back](#)

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
✓ 02IT	1	1	Pool	1
02IT	1	1	Base	1
02IT	1	1	Base	2

First Prev Next Last

[Save](#) [Undo](#) [Delete](#) [Insert](#) [Copy](#) [Paste](#) [Search](#)

**Allocation Id :** 02IT   
**Series Id :** 1   
**Step Number :** 1   
**Pool Base Indicator :** Pool   
**PL/BS Seq No :** 1   
**Description :** Pool to identify IT Service Desk Expense.   
**Forward Reference Step Number :**

**Base Type :** Fixed Percentage  
**Allocation Percent :** 100.000000   
**Statistical Group :**   
**Statistical Record Id :**   
**Statistical Unit :**   
**Override Original Distribution with Offset Values :** ☐  
**Offset ID :**

[Cost Allocation Step Setup](#) [Pool/Base Distribution](#)

## Key Fields in PLBS

On the PLBS, the Allocation Id, Series Id, Step Number, and Base Type fields are inferred from the upper levels of the hierarchy, when the navigation links are used. Click Insert to create a new line on the PLBS page.

- **Pool Base Indicator** - This field is used to identify the record as either a pool or a base.
- **PL/BS Seq No** - AFIS automatically assigns a sequence number to each PLBS record on PLBS when the record is saved. The first pool record will have an assigned number of 1 and the first base record will have an assigned number of 1. Each additional record will have the PL/BS Seq No increased by one, for each type of record.
- **Description** - It is recommended that this field be used to fully define the purpose of the entry on PLBS.
- **Forward Reference Step Number** - This field is optional and is used only for base records. The process of forward referencing allows dollars that have been allocated to base records in one step to be re-allocated in a future step. The initial allocation to the base record is the first step. That base record subsequently becomes a pool in a 'forward' step and the dollars are re-allocated.
- **Base Type** - This field is inferred from the STEP record.
- **Allocation Percent** - The value entered in this field will vary based on the type of PLBS record and the Base Type for the STEP:
  - When the Base Type is Fixed Percentage, enter a percentage in the Allocation Percent field for base records. This is the percentage to be allocated to each base accounting distribution.

- For all other Base Types, leave this field blank. The Allocation Percent field is auto populated for base records of all other Base Types during the automated Cost Allocation Process.
- For pool records, the Allocation Percentage will default to 100% when the record is saved. This is the only value allowed.
- **Statistical Group, Statistical Record Id and Statistical Unit** - These fields are populated only when the Base Type is Statistical. Entries must be pre-established on the STAT page. A selection from the Statistical Group pick list will also auto populate the Statistical Record Id and Statistical Unit fields. The Statistical Base Type is explained in greater detail in Lesson 4.
- **Override Original Distribution with Offset Values and Offset ID** - These fields are populated for pool records only.
  - The Override Original Distribution with Offset Values check box indicates that the pool accounting distribution should be overwritten with an accounting distribution other than that of the pool during the generation of Cost Allocation output transactions. See the Comparison of Output from Overhead, Charge Back, Charge Back with Offset Distribution, and Cost Allocation Processes section of the Appendix for examples of the accounting entries generated by the use of a pool offset distribution.
  - The Offset ID is pre-established on the Pool Base Offset Requirement (PBOREQ) page. This page identifies which COA elements may be overwritten in the automated Cost Allocation Process.

Establishing offset distributions and the PBOREQ page will be discussed in more detail later in this lesson.

### ACTIVITY 3.4:

#### Create a Pool and Two Base Records

##### *Scenario*

Create a pool record, on PLBS, that will define the IT Service Desk expenses to be allocated. Create two base records, on PLBS, that will define the Department of Administration and the Department of Revenue being charged for the IT Service Desk expenses. The allocation will be a 60/40 Fixed Percentage allocation.

##### *Setup*

- ✓ User is logged in to the AFIS Home Page.
- ✓ The Allocation Id has been established on ALOC for each student.
- ✓ A Series Id has been established on SRS for each student.
- ✓ A Step No has been created on STEP.

##### *Steps*

- A. Locate the Allocation Id entry viewed in Activity 3.1.
  1. In the **Jump to** field, enter **ALOC**.



2. Click **Go**. The Cost Allocation Control Setup page is displayed.
  3. Click the **Search** link.
  4. In the **Allocation Id** field, enter **XXIT** where XX are the two digits from your Student ID.
  5. Click **OK**. The Allocation Id you viewed in Activity 3.1 is displayed.
- B. Navigate to the Series (SRS) viewed in Activity 3.2 and the Step (STEP) entry created in Activity 3.3.
1. On the lower left corner of the **ALOC**, click the **Cost Allocation Series Setup** link. The Cost Allocation Series Setup page is displayed.
  2. Verify that **Series Id 1** is selected in the grid.
  3. Below the Inheritance Information component of the **SRS**, click the **Cost Allocation Step Setup** link. The Cost Allocation Step Setup page is displayed.
- C. Navigate to the Pool/Base Setup (PLBS) page and create a pool record.
1. Below the Inheritance Information component of the **STEP**, click the **Pool/Base Setup** link. The PLBS page is displayed.



2. Click the **Insert** link.
3. From the **Pool/Base Indicator** drop down list, select **Pool**.
4. In the **Description** field, enter **Pool to identify IT Service Desk Expense**.
5. Click **Save**. Notice the **Allocation Percent** field defaults to 100.000000.

**Pool/Base Setup**

Menu

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
✓ 02IT	1	1	Pool	1

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

Allocation Id : 02IT

Series Id : 1

Step Number : 1

Pool Base Indicator : Pool

PL/BS Seq No : 1

Description : Pool to identify IT Service Desk Expense.

Forward Reference Step Number :

Base Type : Fixed Percentage

Allocation Percent : 100.000000

Statistical Group :

Statistical Record Id :

Statistical Unit :

Override Original Distribution with Offset Values : ☐

Offset ID :

- D. Create two base records, and then return to the Home Page.
1. While still on the pool record, click the **Insert** link.
  2. From the **Pool/Base Indicator** drop down list, select **Base**.
  3. In the **Description** field, enter **Base to identify the Dept of Administration**.
  4. In the **Allocation Percent** field, enter **60**.

5. Click **Save**.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
02IT	1	1	Pool	1
✓ 02IT	1	1	Base	1

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

Allocation Id : 02IT

Series Id : 1

Step Number : 1

Pool Base Indicator : Base

PL/BS Seq No : 1

Description : Base to identify the Dept of Administration.

Forward Reference Step Number :

Base Type : Fixed Percentage

Allocation Percent : 60.000000

Statistical Group :

Statistical Record Id :

Statistical Unit :

Override Original Distribution with Offset Values : ☐

Offset ID :

6. While still on the base record for the Department of Administration, click **Insert**.
7. From the **Pool/Base Indicator** drop down list, select **Base**.
8. In the **Description** field, enter **Base to identify the Dept of Revenue**.
9. In the **Allocation** Percent field, enter **40**.
10. Click **Save**.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
02IT	1	1	Pool	1
02IT	1	1	Base	1
✓ 02IT	1	1	Base	2

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

Allocation Id : 02IT

Series Id : 1

Step Number : 1

Pool Base Indicator : Base

PL/BS Seq No : 2

Description : Base to identify the Dept of Revenue.

Forward Reference Step Number :

Base Type : Fixed Percentage

Allocation Percent : 40.000000

Statistical Group :

Statistical Record Id :

Statistical Unit :

Override Original Distribution with Offset Values : ☐

Offset ID :

11. Click **Home** in the Primary Navigation Panel to return to the Home Page.

### 3.5. Pool/Base Distribution (PBDIST)

The final required element in the Cost Allocation hierarchy is the Pool/Base Distribution (PBDIST) page. This page is used to enter accounting distributions, accumulation distributions, and/or offset distributions that define the pool and base records. At least one record on PBDIST must be established for each pool and base record on PLBS.

The PBDIST is a child record of the PLBS page; ensure that the proper record is selected in the PLBS grid, and then navigate to PBDIST by clicking the Pool/Base Distribution link on the PLBS page.

The PBDIST page consists of the General Information, Fund Accounting, and Detail Accounting components.

## General Information Component

Key fields in the General Information component are:

- **Allocation Id, Series Id, Step No, and Pool Base Indicator** - Inferred from the upper levels of the hierarchy when the navigation links are used.
- **Alloc Percent, Pool Base Sequence No, and Include/Exclude Sequence No** - Will auto populate when the record is saved.
- **Distribution Type** - Defines the type and purpose of the COA elements entered on PBDIST. Valid entries in the Distribution Type field for pool records are Accounting and Offset. Valid entries for base records are Accounting and Accumulation.
  - **Accounting Distribution** - The accounting distribution is the combination of COA elements used to identify a pool or base in a Cost Allocation hierarchy. At least one accounting distribution must be defined for each pool and each base record.
  - **Accumulation Distribution** - An accumulation distribution is used only for base records with the Base Type of Direct Financial Only, or Direct and Instream Financial; its role is to identify transactions that are used to calculate the allocation percentage. It is defined in more detail in Lesson 4.
  - **Offset Distribution** - An offset distribution identifies an accounting distribution that is slightly or completely different than the accounting distribution on the pool. Offset distributions will be covered in more detail in the next topic.
- **Accumulation Distribution No** - Identifies the distribution number for this pool/base record. One base record may have multiple base accumulation records, each identified by a different accumulation number. All other distribution types for pool and base records may only have one distribution record (exclude records may be specified). Accumulation distributions are discussed in more detail in the following lesson.
- **Exclude Flag** - Indicates if the automated Cost Allocation Process will include or exclude records with this accounting distribution during Pool Expansion and Base Accumulation. Additional detail on including and excluding accounting distributions is provided in Lesson 5.
- **Include/Exclude Sequence No** - Auto generated for all records on the Pool/Base Distribution table. For each distribution number there may be multiple include/exclude records.

Allocation Id	Series Id	Step No	Pool Base Indicator	Pool Base Sequence No	Department	Alloc Percent	Distribution Type	Exclude Flag
02IT	1	1	Pool	1	102	100.000000	Accounting	No
02IT	1	1	Base	1	ADA	60.000000	Accounting	No
✓ 02IT	1	1	Base	2	RVA	40.000000	Accounting	No

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

**General Information**

Allocation Id : 02IT  
Series Id : 1  
Step No : 1  
Pool Base Indicator : Base  
Alloc Percent : 40.000000

Pool Base Sequence No : 2  
Distribution Type : Accounting  
Accumulation Distribution No : 1  
Exclude Flag : ☐  
Include/Exclude Sequence No : 1

## Fund Accounting and Detail Accounting Components

Each record on PBDIST specifies the Chart of Accounts elements associated with the pool or base records.

- **Pool** - On the PBDIST record for the pool, only the fields required to record the selection criteria are to be entered.
- **Base** - On the PBDIST record for each base record, only the fields which will override the Chart of Accounts data from the pool record will be recorded.

For pool records, a Department code **MUST** be entered in the accounting distribution to enable validation of department-based COA elements during the automated Cost Allocation Process. If Department/Unit inheritance type is set to Base, then the Department code can be entered on both pool and base accounting distribution records, even if there is no change in the Department code from the pool to the base accounting distribution.

Fund Accounting		
Fund Rollup Type : CODE	Department : RVA	Appr Unit Rollup Type : CODE
Fund : RV2501	Unit : ASAD	Appr Unit : RV10000
Sub Fund :	Sub Unit :	BSA Rollup Type :
Obj/Rev Indicator :	Government Branch :	BSA :
Object/Revenue Source Rollup Type :	Cabinet :	Sub BSA :
Object/Revenue Source Rollup Type Name :	Division :	Department Object/Revenue Source Indicator :
Object/Revenue Source :	Group :	Department Object/Revenue Rollup Type :
Sub Object/Revenue Source :	Bureau :	Department Object/Revenue :
	Section :	
	District :	

Detail Accounting		
Location Rollup Type :	Reporting Rollup Type :	Major Program Rollup Type :
Location :	Reporting :	Major Program :
Sub Location :	Sub Reporting :	Program Rollup Type :
Activity Rollup Type :	Task :	Program :
Activity :	Sub Task :	Phase :
Sub Activity :	Task Order :	Program Period :
Function Rollup Type :		
Function :		
Sub Function :		

### Rollup Type Fields

For the Fund, Appropriation Unit, BSA, Department Object/Revenue, Location, Activity, Function, Reporting, Major Program, and Program fields, a Rollup Type field is provided. An example for the Major Program Rollup Type field is shown below.

Major Program Rollup Type :	
Major Program :	
Program Rollup Type :	CODE
Program :	CLASS
Phase :	CATEGORY
	TYPE
	GROUP

The drop down list for each Rollup Type field provides five options: Code, Class, Category, Type, and Group. Selecting Code indicates that you will enter a specific COA value in the associated field. For example, If Code is selected in the Major Program Rollup Type field; you will enter a specific Major Program code in the Major Program field below it.

In some situations, you may select a rollup type of Class, Category, Type or Group. This can reduce data entry when creating records on PBDIST. The use of rollup types is discussed in more detail in Lesson 5.

### *Object versus Revenue*

In the Fund Accounting component, the Object/Revenue Source Rollup Type, Object/Revenue Source, and Sub Object/Revenue Source fields are used to enter either Object or Revenue Source codes (however, not both), if required for the specific allocation.

A screenshot of a form with the following fields: 'Obj/Rev Indicator' (a dropdown menu), 'Object/Revenue Source Rollup Type' (a text input field with a small icon to its right), 'Object/Revenue Source Rollup Type Name' (a text input field), 'Object/Revenue Source' (a text input field), and 'Sub Object/Revenue Source' (a text input field).

The Obj/Rev Indicator field indicates to AFIS whether the entries are Object or Revenue Source codes.

A close-up screenshot of the 'Obj/Rev Indicator' dropdown menu. The menu is open, showing two options: 'Object' and 'Revenue'.

## **ACTIVITY 3.5**

### **Create a Pool Accounting Distribution and Two Base Accounting Distribution Records**

#### *Scenario*

Establish a pool accounting distribution record on PBDIST that will identify the transactions associated with IT Service Desk expenses to be allocated. Next, establish two base accounting distribution records on PBDIST, in order to identify the COA elements unique to the departments receiving the allocation.

#### *Setup*

- ✓ User is logged in to the AFIS Home Page.
- ✓ The Allocation Id has been established on ALOC for each student.
- ✓ A Series Id has been established on SRS for each student.
- ✓ A Step No has been created on STEP.
- ✓ The pool and base records have been created on PLBS.

## Steps

- A. Locate the Allocation Id entry viewed in Activity 3.1.
  1. In the **Jump to** field, enter **ALOC**.
  2. Click **Go**. The Cost Allocation Control Setup page is displayed.
  3. Click the **Search** link.
  4. In the **Allocation Id** field, enter **XXIT** where XX are the two digits from your Student ID.
  5. Click **OK**. The Allocation Id you viewed in Activity 3.1 is displayed.
- B. Navigate to the Series (SRS) viewed in Activity 3.2 and the Step (STEP) entry created in Activity 3.3.
  1. On the lower left corner of the **ALOC**, click the **Cost Allocation Series Setup** link. The Cost Allocation Series Setup page is displayed.
  2. Verify that **Series Id 1** is selected in the grid.
  3. Below the Inheritance Information component of **SRS**, click the **Cost Allocation Step Setup** link. The Cost Allocation Step Setup page is displayed.
- B. Navigate to the Pool/Base Setup (PLBS) entries created in Activity 3.4.
  1. Below the Inheritance Information component of **STEP**, click the **Pool/Base Setup** link. The three records created in Activity 3.4 are displayed in the grid at the top of the page.
  2. In the PLBS grid, select the record within the grid to be changed. Verify there is a check mark to the left of the pool record.

Pool/Base Setup					
	Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
<input checked="" type="checkbox"/>	02IT	1	1	Pool	1
<input type="checkbox"/>	02IT	1	1	Base	1
<input type="checkbox"/>	02IT	1	1	Base	2

3. Click the **Pool/Base Distribution** link. The Pool/Base Distribution page is displayed.
- C. Create a pool accounting distribution record on PBDIST. This will identify the transactions that need to be allocated.
  1. Click the **Insert** link. In the **Pool Base Indicator** field, notice that **Pool** is inferred from the PLBS.
  2. From the **Distribution Type** drop down list, select **Accounting**.

▼ General Information

Allocation Id : 02IT

Series Id : 1

Step No : 1

Pool Base Indicator : Pool

Alloc Percent :

Pool Base Sequence No : 1

Distribution Type : Accounting

Accumulation Distribution No :

Exclude Flag : ☐

Include/Exclude Sequence No :

3. Click the **Fund Accounting** component to expand it.
4. From the **Fund Rollup Type** drop down list, select **CODE**. This indicates to AFIS that an actual fund code, rather than a rollup code, will be entered in the **Fund** field.
5. In the **Fund** field, enter the data from *your student data card*.

6. In the **Department** field, enter the data from *your student data card*.
7. In the **Unit** field, enter the data from *your student data card*.
8. Click **Save**.

**Fund Accounting**

Fund Rollup Type : CODE	Department : 102	Appr Unit Rollup Type :
Fund : 9002	Unit : 0102	Appr Unit :
Sub Fund :	Sub Unit :	BSA Rollup Type :
Obj/Rev Indicator :	Government Branch :	BSA :
Object/Revenue Source Rollup Type :	Cabinet :	Sub BSA :
Object/Revenue Source Rollup Type Name :	Division :	Department Object/Revenue Source Indicator :
Object/Revenue Source :	Group :	Department Object/Revenue Rollup Type :
Sub Object/Revenue Source :	Bureau :	Department Object/Revenue :
	Section :	
	District :	

- D. Create the base accounting distribution record on PBDIST for the Department of Administration.
1. Below the Detail Accounting component, click the **Pool/Base Setup** link to return to PLBS.
  2. In the PLBS grid at the top of the page, select Base 1 for the Department of Administration. Verify there is a check mark to the left of Base 1 in the grid.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
02IT	1	1	Pool	1
✓ 02IT	1	1	Base	1
02IT	1	1	Base	2

3. Click the **Pool/Base Distribution** link. The **PBDIST** page is displayed.
4. Click **Insert**. In the **Pool Base Indicator** field, notice that Base is inferred from PLBS.
5. From the **Distribution Type** drop down list, select **Accounting**.
6. Click the **Fund Accounting** component to expand it.
7. From the **Fund Rollup Type** drop down list, select **CODE**.
8. In the **Fund** field, enter **1000**.
9. In the **Department** field, enter **ADA**.
10. In the **Unit** field, enter **0400**.
11. From the **Appr Unit Rollup Type** drop down list, select **CODE**.
12. In the **Appr Unit** field, enter **10000**.

13. Click the **Save** link. Notice that AFIS has auto populated the Sub Fund and Sub Unit fields with an exclamation mark. This is a wildcard that indicates that this field will be blank in the base accounting distribution.

**General Information**

Allocation Id : 02IT Pool Base Sequence No : 1

Series Id : 1 Distribution Type : Accounting

Step No : 1 Accumulation Distribution No : 1

Pool Base Indicator : Base Exclude Flag : ☐

Alloc Percent : 60.000000 Include/Exclude Sequence No : 1

---

**Fund Accounting**

Fund Rollup Type : CODE Department : ADA Appr Unit Rollup Type : CODE

Fund : 1000 Unit : 0400 Appr Unit : 10000

Sub Fund : Sub Unit : BSA Rollup Type :

Obj/Rev Indicator : Government Branch : BSA :

Object/Revenue Source Rollup Type : Cabinet : Sub BSA :

Object/Revenue Source Rollup Type Name : Division : Department Object/Revenue Source Indicator :

Object/Revenue Source : Group : Department Object/Revenue Rollup Type :

Sub Object/Revenue Source : Bureau : Department Object/Revenue :

Section : District :

- E. Create the base accounting distribution record on PBDIST for the Department of Revenue.
1. Scroll to the bottom of the page.
  2. Below the Detail Accounting component, click the **Pool/Base Setup** link to return to PLBS.
  3. In the PLBS grid at the top of the page, select Base 2 for the Department of Revenue. Verify there is a check mark to the left of Base 2 in the grid.



Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
02IT	1	1	Pool	1
02IT	1	1	Base	1
<input checked="" type="checkbox"/> 02IT	1	1	Base	2


4. Click the **Pool/Base Distribution** link. The **PBDIST** page is displayed.
5. Click the **Insert** link.
6. From the **Distribution Type** drop down list, select **Accounting**.
7. Click the **Fund Accounting** component to expand it.
8. From the **Fund Rollup Type** drop down list, select **CODE**.
9. In the **Fund** field, enter **RV2501**.
10. In the **Department** field, enter **RVA**.
11. In the **Unit** field, enter **ASAD**.
12. From the **Appr Unit Rollup Type** drop down list, select **CODE**.
13. In the **Appr Unit** field, enter **RV10000**.




14. Click the **Save** link.

**General Information**

Allocation Id : 02IT  Pool Base Sequence No : 2 

Series Id : 1  Distribution Type : Accounting

Step No : 1  Accumulation Distribution No : 1

Pool Base Indicator : Base Exclude Flag : ☐

Alloc Percent : 40.000000 Include/Exclude Sequence No : 1

---

**Fund Accounting**

Fund Rollup Type : CODE Department : RVA Appr Unit Rollup Type : CODE

Fund : RV2501 Unit : ASAD Appr Unit : RV10000

Sub Fund : Sub Unit : BSA Rollup Type :

Obj/Rev Indicator : Government Branch : BSA :

Object/Revenue Source Rollup Type : Cabinet : Sub BSA :

Object/Revenue Source Rollup Type Name : Division : Department Object/Revenue Source Indicator :

Object/Revenue Source : Group : Department Object/Revenue Rollup Type :

Sub Object/Revenue Source : Bureau : Department Object/Revenue :

Section : District :

F. View the PBDIST grid for the completed accounting distribution records, and retain the PBDIST page on your screen for the next activity.

1. Notice the three entries in the PBDIST grid: one pool accounting distribution and two base accounting distribution records.

Allocation Id	Series Id	Step No	Pool Base Indicator	Pool Base Sequence No	Department	Alloc Percent	Distribution Type	Exclude Flag
02IT	1	1	Pool	1	102	100.000000	Accounting	No
02IT	1	1	Base	1	ADA	60.000000	Accounting	No
✓ 02IT	1	1	Base	2	RVA	40.000000	Accounting	No

2. Retain the PBDIST page on your screen for the next activity.

### 3.6. Pool/Base Offset Requirement (PBOREQ) Page

In some situations, when AFIS creates the Cost Allocation (CA) documents to post the allocation transactions, it may be necessary overwrite the pool accounting distribution with an offset distribution, even though the allocation actually took place based on the original accounting distribution.

An offset distribution is used only for pool records, and only when an Offset ID is defined on the PLBS record for the pool. When defined, the Cost Allocation Process will use the offset distribution on the credit Posting Line, rather than the original accounting distribution that was used on pool transactions. See the Comparison of Output from Overhead, Charge Back, Charge Back with Offset Distribution, and Cost Allocation Processes section of the Appendix for examples of the accounting entries generated with the use of a pool offset distribution.

#### Pool/Base Offset Requirement (PBOREQ)

The Pool/Base Offset Requirement (PBOREQ) page is optional, but must be populated if an offset distribution is required for the pool.

Before a pool offset distribution can be created on PLBS, an entry must be established on PBOREQ to identify the COA elements that are Prohibited, Required, or Optional for offset. For example, if the Fund

should never be offset and the Object should always be offset, and additional COA elements may be offset if needed, the entry on the PBOREQ would be established, as shown in Figure 2. If all COA elements are eligible, but not required for offset, then one entry can be made on this page to set all COA elements as Optional. The PBOREQ table will be maintained by GAO.

**Figure 2: Pool/Base Offset Requirement Page**

Pool/Base Offset Requirement	
<u>Offset ID</u>	<u>Offset Name</u>
✓ FPOR	FUND Proh OBJ Req
OPTN	All Optional
First Prev Next Last	
<a href="#">Save</a> <a href="#">Undo</a> <a href="#">Delete</a> <a href="#">Insert</a> <a href="#">Copy</a> <a href="#">Paste</a> <a href="#">Search</a>	
▼ General Information	
*Offset ID : <input type="text" value="FPOR"/>	
*Offset Name : <input type="text" value="FUND Proh OBJ Req"/>	
▼ Fund Accounting	
*Fund : <input type="text" value="Prohibited"/>	*Sub Fund : <input type="text" value="Optional"/>
*BSA : <input type="text" value="Optional"/>	*Sub BSA : <input type="text" value="Optional"/>
*Object : <input type="text" value="Required"/>	*Sub Object : <input type="text" value="Optional"/>
*Revenue : <input type="text" value="Optional"/>	*Sub Revenue : <input type="text" value="Optional"/>
*Government Branch : <input type="text" value="Optional"/>	*Cabinet : <input type="text" value="Optional"/>
*Division : <input type="text" value="Optional"/>	*Bureau : <input type="text" value="Optional"/>
*Group : <input type="text" value="Optional"/>	*Section : <input type="text" value="Optional"/>
*Unit : <input type="text" value="Optional"/>	*Sub Unit : <input type="text" value="Optional"/>
*Department : <input type="text" value="Optional"/>	*Dept Object : <input type="text" value="Optional"/>
*Dept Revenue : <input type="text" value="Optional"/>	*Appr Unit : <input type="text" value="Optional"/>
*District : <input type="text" value="Optional"/>	
▼ Detail Accounting	
*Activity : <input type="text" value="Optional"/>	*Sub Activity : <input type="text" value="Optional"/>
*Reporting : <input type="text" value="Optional"/>	*Sub Reporting : <input type="text" value="Optional"/>
*Function : <input type="text" value="Optional"/>	*Sub Function : <input type="text" value="Optional"/>
*Location : <input type="text" value="Optional"/>	*Sub Location : <input type="text" value="Optional"/>
*Program : <input type="text" value="Optional"/>	*Phase : <input type="text" value="Optional"/>
*Program Period : <input type="text" value="Optional"/>	*Task : <input type="text" value="Optional"/>
*Sub Task : <input type="text" value="Optional"/>	*Task Order : <input type="text" value="Optional"/>

**ACTIVITY 3.6****View an Entry on PBOREQ and Create a Pool Offset Accounting Distribution****Scenario**

It has been determined that the pool transactions identified in Activity 3.5 must be credited to COA elements that are different than those on the originating (source) transactions. To accomplish this, first view the rules for offset distributions on PBOREQ, then modify the pool record on PLBS, and then create an offset distribution record on PBDIST for the pool record.

**Setup**

- ✓ An Allocation Id has been established on ALOC for each student.
- ✓ A Series Id has been established on SRS for each student.
- ✓ A Step No has been created on STEP.
- ✓ The pool and base records have been created on PLBS.
- ✓ The pool and base accounting distribution records have been created on PBDIST.
- ✓ The PBDIST page is displayed on the Student's screen.
- ✓ An entry has been established on PBOREQ.

**Steps**

- A. Navigate to PBOREQ.
  1. In the **Jump to** field, enter **PBOREQ**.
  2. Click **Go**. The PBOREQ page is displayed.
- B. View an entry in PBOREQ.
  1. Click the **Search** link.
  2. In the **Offset ID** field, enter **OBJ**.
  3. Click **Ok**. The Object Req Fund Prohibited Offset ID is displayed in the grid.
  4. Click the **Expand All** button to expand all components of the PBOREQ page.
  5. In the **Fund** field, notice that **Prohibited** has been selected. This indicates that the Fund COA element may not be overwritten on the Pool Offset Distribution.
  6. In the **Object** field, notice that **Required** has been selected. This indicates that an Object code is required when creating a pool offset distribution.

Fund Accounting		
*Fund : Prohibited	*Sub Fund : Optional	*Unit : Optional
*BSA : Optional	*Sub BSA : Optional	*Sub Unit : Optional
*Object : Required	*Sub Object : Optional	*Department : Optional
*Revenue : Optional	*Sub Revenue : Optional	*Dept Object : Optional
*Government Branch : Optional	*Cabinet : Optional	*Dept Revenue : Optional
*Division : Optional	*Bureau : Optional	*Appr Unit : Optional
*Group : Optional	*Section : Optional	*District : Optional

7. Do not save any changes on the PBOREQ page.

8. In the upper right corner of your screen, click **Back**, to return to your PBDIST record.

Offset ID	Offset Name
✓ OBJ	OBJECT REQ. FUND PROHIBITED

- C. Modify the pool record on PLBS to allow an Offset Distribution.
- Below the Detail Accounting component, click the **Pool/Base Setup** link to return to the pool record on PLBS.
  - In the PLBS grid, click the line for the pool record to ensure it is selected. There should be a check mark to the left of the pool record.
  - Check the **Override Original Distribution with Offset Values** check box.
  - From the **Offset ID** pick list, select **OBJ**.
  - Click the **Save** link. A pool offset distribution record may now be created on PBDIST.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PLBS Seq No
✓ 02IT	1	1	Pool	1
02IT	1	1	Base	1
02IT	1	1	Base	2

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

Allocation Id : 02IT  
 Series Id : 1  
 Step Number : 1  
 Pool Base Indicator : Pool  
 PLBS Seq No : 1  
 Description : Pool to identify IT Service Desk Expense.

Base Type : Fixed Percentage  
 Allocation Percent : 100.000000  
 Statistical Group :  
 Statistical Record Id :  
 Statistical Unit :  
 Override Original Distribution with Offset Values : ☒  
 Offset ID : OBJ

- D. Create the pool offset distribution record on PBDIST, and then return to the Home Page.
- Click the **Pool/Base Distribution** link.
  - Click **Insert**.
  - From the **Distribution Type** drop down list, select **Offset**.
  - In the **Accumulation Distribution No** field, enter **1**.

Distribution Type : Offset  
 Accumulation Distribution No : 1

- Click the **Fund Accounting** component to expand it.
- From the **Obj/Rev Indicator** drop down list, select **Object**.
- From the **Object/Revenue Source Rollup Type** pick list, select **1**.
- In the **Object/Revenue Source** field, enter **6011**.
- In the **Department** field, enter **AAA**.
- In the **Unit** field, enter **A100**.
- From the **Appr Unit Rollup Type** pick list, select **CODE**.

12. In the **Appr Unit** field, enter **1000001**.

13. Click the **Save** link.

**Fund Accounting**

Fund Rollup Type :  Department :  Appr Unit Rollup Type :

Fund :  Unit :  Appr Unit :

Sub Fund :  Sub Unit :  BSA Rollup Type :

Obj/Rev Indicator :  Government Branch :  BSA :

Object/Revenue Source Rollup Type :  Cabinet :  Sub BSA :

Object/Revenue Source Rollup Type Name : CODE Division :  Department Object/Revenue Source Indicator :

Object/Revenue Source :  Group :  Department Object/Revenue Rollup Type :

Sub Object/Revenue Source :  Bureau :  Department Object/Revenue :

Section :

District :

14. Click **Home** in the Primary Navigation Panel to return to the Home Page.

### 3.7. Object Rate Groups (OBJRT) Page

When a group of Object codes is needed to define the transactions to be selected in the pool, the Object Rate Groups (OBJRT) page can be used to create up to 60 Rate Groups.

For example, a common requirement is the allocation of all personnel costs. Personnel costs are often broken down into multiple object codes (regular pay, overtime, various benefit types, etc.); therefore, rather than creating a unique entry on PBDIST for each of these, the personnel-related object codes can be grouped on the Object Rate Groups (OBJRT) page. Then, a single selection of the appropriate Rate Group in the Object/Revenue Source Rollup Type field is made on PBDIST.

**Object Rate Groups**

Fiscal Year	Object Code	Name	RG01	RG02	RG03	RG04
2014	1200	PERS SERVICE FT (W/ PR DEDUC)	P			
2014	1201	PERS SERV(W/O PR DEDUCT)	P			
2014	1203	OVERTIME	P			
✓ 2014	1206	ANNUAL INCREMENT	P			

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

**General Information**

\*Fiscal Year :

\*Object Code :

Name :

Short Name :

**Rate Groups 1-20**

RG01 :  RG06 :  RG11 :  RG16 :

RG02 :  RG07 :  RG12 :  RG17 :

The rate group is selected on PBDIST in the Object/Revenue Source Rollup Type field.

Obj/Rev Indicator :

Object/Revenue Source Rollup Type :

Object/Revenue Source Rollup Type Name : RATE GROUP 01

Object/Revenue Source :

Sub Object/Revenue Source :

**ACTIVITY 3.7****View an Entry on the Object Rate Groups (OBJRT) Page****Scenario**

For purposes of instruction, assume that four Object codes used for personnel costs are frequently eligible for allocation. View an entry on the OBJRT page created to streamline data entry on PBDIST for the personnel-related Object codes. View the entry of the Object Rate Group on PBDIST.

**Setup**

- ✓ User is logged in to the AFIS Home Page.
- ✓ Object Rate Group P has been established.


**Steps**


- A. Navigate to the Object Rate Groups (OBJRT) page.
  1. In the **Jump to** field, enter **OBJRT**.
  2. Click **Go**. The Object Rate Groups page is displayed.
- B. View the entries on the OBJRT for Rate Group RG01, and then return to the Home Page.
  1. In the **Object Rate Groups** grid, notice the four personnel-related Object Codes grouped in Rate Group 01 (RG01), designated by **P**.

Object Rate Groups							
	Fiscal Year	Object Code	Name	RG01	RG02	RG03	RG04
✓	2015	6011	Regular Base Salary	P			
	2015	6028	Performance Pay	P			
	2015	6036	High Risk Duty - Hazardous Duty	P			
	2015	6041	Annual Leave	P			

2. In the **General Information** component, notice the **Object Code** is identified in the Object Code field.

▼ General Information

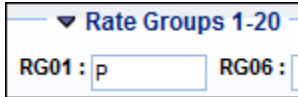
\*Fiscal Year : 2015 

\*Object Code : 6011 

Name : Regular Base Salary

Short Name : Regular Base Sa

3. Click the **Rate Groups 1-20** component to expand it. Notice the Rate Group code P assigned to Rate Group RG01. This associates the Object Code with the Rate Group P. Then, when Object Rate Group code P is entered on a PBDIST record, all Object codes associated with this rate group will be selected.



A screenshot of a software interface showing a dropdown menu labeled "Rate Groups 1-20". Below the dropdown, there are two input fields. The first field is labeled "RG01:" and contains the letter "P". The second field is labeled "RG06:" and is empty.

4. If desired, view the entries for the three other Object codes for Rate Group 01 on OBJRT.

**Note:** This entry on OBJRT will be used in a later lesson.

5. Click **Home** in the Primary Navigation Panel to return to the Home Page.

## Lesson Summary

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In this lesson, you:

- Identified the three levels of the Cost Allocation hierarchy at which inheritance rules can be established
- Listed and defined the Base Types available to assign or calculate Cost Allocation percentages
- Differentiated between an accounting distribution, an accumulation distribution, and an offset distribution
- Created a Cost Allocation hierarchy using the Fixed Percentage Base Type
- Viewed an entry on the Pool/Base Offset Requirement (PBOREQ) page
- Created a pool offset distribution record on the PBDIST page
- Viewed an entry on the Object Rate Groups (OBJRT) page

## Check Your Progress

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1. Inheritance rules may be established on the \_\_\_\_\_ page(s).
  - a. Cost Allocation Control Setup and Cost Allocation Series Setup
  - b. Cost Allocation Step Setup and Pool/Base Setup
  - c. Cost Allocation Step Setup
  - d. Both a. and c.
2. A Base Type identifies the method used to calculate the allocation percentage.
  - a. True
  - b. False

3. The \_\_\_\_\_ distribution is used to identify the COA elements that will be credited for the allocation, if different than the COA elements on the pool source transactions.
  - a. Accounting
  - b. Accumulation
  - c. Offset
  - d. None of the above.
4. The \_\_\_\_\_ distribution is used to identify the pool transactions that will be allocated.
  - a. Accounting
  - b. Accumulation
  - c. Offset
  - d. None of the above.
5. The \_\_\_\_\_ distribution is used to identify transactions that will be used to calculate the allocation percentage, when the Direct Financial Base Type is used.
  - a. Accounting
  - b. Accumulation
  - c. Offset
  - d. None of the above.
6. If an Object Rate Group is selected in the Object/Revenue Source Rollup Type field, the Object Rate Group code will be auto populated by AFIS.
  - a. True
  - b. False



## 4. CREATING ALTERNATIVE COST ALLOCATION HIERARCHIES

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### Learning Objectives

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In this lesson, you will:

- Identify the role of the Statistical Unit (STAT) page
- Create a Statistical Base Type Cost Allocation structure by adding a new Series to an existing Cost Allocation hierarchy
- Identify the Cost Allocation elements required to configure a Direct Financial Base Type Cost Allocation structure
- Create a Direct Financial Base Type Cost Allocation structure by adding a new Series to an existing Cost Allocation hierarchy
- Identify the unique characteristics of the Direct and Instream Financial Base Type

### Lesson Overview

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Three additional Cost Allocation structures are examined in this lesson: Statistical Base Type, Direct Financial Base Type, and Direct and Instream Base Type. These structures may be used to create alternative Cost Allocation hierarchies to meet specific allocation needs of the State.

#### 4.1. Create Entries on the Statistical Unit (STAT) Page

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The Statistical Base Type is used when an allocation percentage is calculated during the allocation process, based on a statistic. Examples include: utility allocation, based on square footage occupied by a department or program; phone charges, based on number of phones or employees; or administrative costs, based on headcount or gross salaries.

The necessary statistical values are established on the Statistical Unit (STAT) page.

#### Statistical Unit Setup (STAT)

The STAT page establishes the various statistical units used to calculate allocation percentages.

The STAT page consists of four fields: Statistical Group, Statistical Record Id, Description, and Statistical Unit. All fields are required except the Description field, although it is recommended that a description be used to identify the purpose of the record.

- **Statistical Group** - This field is used to create a 5-character identifier used as the collection reference code. The sum of all records within the group is used as the denominator for the percentage calculation.
- **Statistical Record ID** – Enter a 5-character identifier for a single record within the group.

- **Description** – Enter a short description of the individual record within the group to easily identify what data the record represents.
- **Statistical Unit**– Enter the quantity for the record with up to six decimal places. This value is used as the numerator for the percentage calculation.

Figure 3 illustrates an entry on STAT established to calculate a Cost Allocation, based on occupancy of 9000 square feet in the Hermans Building. A similar entry is made on STAT for the number of square feet occupied by each department receiving the allocation. Notice that this entry is not tied to a specific Allocation Id, Series, Step, or specific building; therefore, it may be used for multiple allocation hierarchies, if needed.

**Figure 3: Sample Entry on Statistical Unit (STAT) Page**

The screenshot shows the 'Statistical Unit' page. At the top is a table with three columns: 'Statistical Group', 'Statistical Record Id', and 'Statistical Unit'. The first row has values 1, 1, and 15000.000000. The second row, which is highlighted in orange, has a checkmark in the first column, 1 in the second, and 9000.000000 in the third. Below the table are navigation links: 'First', 'Prev', 'Next', and 'Last'. Underneath these are action links: 'Save', 'Undo', 'Delete', 'Insert', 'Copy', 'Paste', and 'Search'. The form section contains three fields: '\*Statistical Group' with the value 1, '\*Statistical Record Id' with the value 2, and 'Description' with the text 'SQUARE FOOTAGE'. At the bottom, there is a field for '\*Statistical Unit' with the value 9000.000000.

	Statistical Group	Statistical Record Id	Statistical Unit
	1	1	15000.000000
✓	1	2	9000.000000

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

\*Statistical Group : 1

\*Statistical Record Id : 2

Description : SQUARE FOOTAGE

\*Statistical Unit : 9000.000000

Entries must be established on the Statistical Unit Setup (STAT) page, before a Cost Allocation structure can be created using this Base Type.

The Statistical Group and Statistical Record Id are linked to the appropriate base record on the Pool/Base Setup page, within the Cost Allocation hierarchy (see Figure 4). The Statistical Unit field is auto populated, based on the data in the STAT page. The PLBS page and the STAT page are linked, so any changes made on the STAT page automatically update the PLBS page.

Figure 4: Pool/Base Setup using the Statistical Base Type

**Pool/Base Setup**

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
ZZAL	1	1	Pool	1
ZZAL	1	1	Base	1
✓ ZZAL	1	1	Base	2

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

Allocation Id : ZZAL

Series Id : 1

Step Number : 1

Pool Base Indicator : Base

PL/BS Seq No : 2

Description : ZZ UTILITY ALLOCATION -  
FINANCE - HERMANS BLDG

Forward Reference Step Number :

Base Type : Statistical

Allocation Percent :

Statistical Group : 1

Statistical Record Id : 2

Statistical Unit : 9000.000000

Override Original Distribution with Offset Values : ☐

Offset ID :

[Cost Allocation Step Setup](#) [Pool/Base Distribution](#)

## ACTIVITY 4.1

### Create Entries on the Statistical Unit (STAT) Page

#### Scenario

Your organization must allocate utility costs based upon the square footage occupied by the three Divisions of the fictitious Legal Services Department. The Administration Division occupies 5500 square feet, the Processing Division occupies 7000 square feet, and the Research Division occupies 4000 square feet. Create the appropriate entries on the STAT page.

#### Setup

- ✓ User is logged in to the AFIS Home Page.
- ✓ An Allocation Id has been established on ALOC.

#### Steps

- A. Navigate to the Statistical Unit (STAT) page.
  1. In the **Jump to** field, enter **STAT**.
  2. Click **Go**. The Statistical Unit page is displayed.
- B. Create a Statistical Unit on the STAT page for each Division in the Legal Services Department.
  1. Click the **Insert** link.
  2. In the **Statistical Group** field, enter **XXLG** where XX are the two digits from your Student ID.
  3. In the **Statistical Record Id** field, enter **ADM**.
  4. In the **Description** field, enter **Square footage occupied by Legal Services Admin Div.**
  5. In the **Statistical Unit** field, enter **5500**.

6. Click the **Save** link.

\*Statistical Group : 02LG

\*Statistical Record Id : ADM

Description : Square footage occupied by Legal Services Admin Div.

\*Statistical Unit : 5500.000000

7. With the ADM Statistical Record ID still highlighted in the grid, click **Copy**.
8. Click **Paste**.
9. In the **Statistical Record Id** field, change the defaulted entry to **PRO**.
10. In the **Description** field, change the defaulted entry to ***Square footage occupied by Legal Services Processing Div.***
11. In the **Statistical Unit** field, change the defaulted entry to **7000**.
12. Click the **Save** link.

\*Statistical Group : 02LG

\*Statistical Record Id : PRO

Description : Square footage occupied by Legal Services Processing Div.

\*Statistical Unit : 7000.000000

13. With the PRO Statistical Record ID still highlighted in the grid, click **Copy**.
14. Click **Paste**.
15. In the **Statistical Record Id** field, change the defaulted entry to **RES**.
16. In the **Description** field, change the defaulted entry to ***Square footage occupied by Legal Services Research Div.***
17. In the **Statistical Unit** field, change the defaulted entry to **4000**.
18. Click the **Save** link.

\*Statistical Group : 02LG

\*Statistical Record Id : RES

Description : Square footage occupied by Legal Services Research Div.

\*Statistical Unit : 4000.000000

- C. View the three entries for the Legal Services Department on the STAT page and return to the Home Page.
  1. Click the **Search** link.
  2. In the **Statistical Group** field, enter **XXLG** where XX are the two digits from your Student ID.
  3. Click **Ok**.

4. In the **Statistical Unit** grid, view your three entries for the Legal Services Department.

Statistical Group	Statistical Record Id	Statistical Unit
✓ 02LG	ADM	5500.000000
02LG	PRO	7000.000000
02LG	RES	4000.000000

5. Click **Home** in the Primary Navigation Panel to return to the Home Page.

## 4.2. Modify an Allocation Hierarchy to Add a Series Using the Statistical Base Type

Multiple Series are established in a single Cost Allocation hierarchy, when different groups of expenditures or revenues must be allocated at the same time. Different Base Types may be used within a Cost Allocation hierarchy, since the Base Type is established on STEP.

### ACTIVITY 4.2:

#### Create a Cost Allocation with a Statistical Base Type

##### Scenario

The allocation of utilities to three fictitious Legal Services Divisions, using the Statistical Base Type, must be done at the same time the IT Service Desk expenses are allocated. Therefore, a second Series within the Cost Allocation hierarchy will be utilized to allocate utilities.

##### Setup

- ✓ User is logged in to the AFIS Home Page.
- ✓ An Allocation Id has been established on ALOC for each student.
- ✓ A second Series Id has been established on SRS for each student.

##### Steps

- A. Locate the Allocation Id entry viewed in Activity 3.1.
  1. In the **Jump to** field, enter **ALOC**.
  2. Click **Go**. The Cost Allocation Control Setup page is displayed.
  3. Click the **Search** link.
  4. In the **Allocation Id** field, enter **XXIT** where XX are the two digits from your Student ID.
  5. Click **OK**. The Allocation Id you viewed in Activity 3.1 is displayed.
- B. Navigate to the SRS page and view the second the Series established for the Cost Allocation hierarchy.
  1. On the lower left corner of the **ALOC**, click the **Cost Allocation Series Setup** link. The Cost Allocation Series Setup page is displayed and two records are displayed in the grid.

- In the Cost Allocation Series Setup grid, select **Series Id 2**.

Cost Allocation Series Setup	
Allocation Id	Series Id
02IT	1
✓ 02IT	2

- In the **Series Description** field, notice this series will be used for the allocation of utilities to Legal Services Divisions.

**Series Information**

Allocation Id : 02IT

Series Id : 2

Series Description : Allocation of Utilities to Legal Services Division

- Click the **Inheritance Information** component to expand it.
- Notice that each field in the component defaults to **Default**. The inheritance rules set at the ALOC level are appropriate for this Series, so no entries are required in this component.

C. Navigate to the STEP page and create a Step for the new Series.

- While still viewing Series 2, click the **Cost Allocation Step Setup** link below the Inheritance Information component of the SRS.
- Click **Insert**. Notice that **Series Id 2** is inferred from the SRS.
- In the **Step No** field, enter **1**.
- In the **Description** field, enter **Allocation of Utilities to Legal Services Divisions**.
- From the **Base Type** drop down list, select **Statistical**.
- Click **Save**.

**Step Information**

Allocation Id : 02IT

Series Id : 2

Step No : 1

Description : Allocation of Utilities to Legal Services Divisions

Base Type : Statistical

Charge Back Object :

D. Navigate to the PLBS page and create one pool and three base records.

- Below the Inheritance Information component of the **STEP**, click the **Pool/Base Setup** link.
- Click **Insert**.
- From the **Pool/Base Indicator** drop down list, select **Pool**.

4. In the **Description** field, enter ***Pool to identify Legal Services Department Utilities.***
5. Click the **Save** link. Notice the **Allocation Percent** field defaults to **100.000000**.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
✓ 02IT	2	1	Pool	1

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

Allocation Id : 02IT  
 Series Id : 2  
 Step Number : 1  
 Pool Base Indicator : Pool  
 PL/BS Seq No : 1  
 Description : Pool to identify Legal Services Department Utilities  
 Forward Reference Step Number :

Base Type : Statistical  
 Allocation Percent : 100.000000  
 Statistical Group :  
 Statistical Record Id :  
 Statistical Unit :  
 Override Original Distribution with Offset Values : ☐  
 Offset ID :

6. While still on the pool record, click **Insert**.
7. From the **Pool/Base Indicator** drop down list, select **Base**.
8. In the **Description** field, enter ***Base to identify Admin Division of Legal Services Dept.***
9. In the **Statistical Group** field, enter **XXLG** where XX are the two digits from your Student ID.
10. From the **Statistical Record Id** pick list, select **ADM**. Notice the Statistical Unit field is auto populated with **5500** from the STAT page. This is the square footage occupied by the Administrative Division.
11. Click **Save**.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
02IT	2	1	Pool	1
✓ 02IT	2	1	Base	1

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

Allocation Id : 02IT  
 Series Id : 2  
 Step Number : 1  
 Pool Base Indicator : Base  
 PL/BS Seq No : 1  
 Description : Base to identify Admin Division of Legal Services Dept  
 Forward Reference Step Number :

Base Type : Statistical  
 Allocation Percent :  
 Statistical Group : 02LG  
 Statistical Record Id : ADM  
 Statistical Unit : 5500.000000  
 Override Original Distribution with Offset Values : ☐  
 Offset ID :

12. While still on the base record, click **Copy**.
13. Click **Paste**.
14. In the **Description** field, change the defaulted entry to ***Base to identify Processing Division of Legal Services Dept.***
15. From the **Statistical Record Id** pick list, change the defaulted entry by selecting **PRO**. Notice the Statistical Unit field is auto populated with 7000 from the STAT page. This is the square footage occupied by the Processing Division.
16. Click **Save**.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
02IT	2	1	Pool	1
02IT	2	1	Base	1
✓ 02IT	2	1	Base	2

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

Allocation Id : 02IT

Series Id : 2

Step Number : 1

Pool Base Indicator : Base

PL/BS Seq No : 2

Description : Base to identify Processing Division of Legal Services Dept

Forward Reference Step Number :

Base Type : Statistical

Allocation Percent :

Statistical Group : 02LG

Statistical Record Id : PRO

Statistical Unit : 7000.000000

Override Original Distribution with Offset Values : ☐

Offset ID :

17. While still on the base record, click **Copy**.
18. Click **Paste**.
19. In the **Description** field, change the defaulted entry to **Base to identify Research Division of Legal Services Dept**.
20. From the **Statistical Record Id** pick list, select **RES**. Notice the Statistical Unit field is auto populated with **4000** from the STAT page. This is the square footage occupied by the Research Division.
21. Click **Save**.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
02IT	2	1	Pool	1
02IT	2	1	Base	1
02IT	2	1	Base	2
✓ 02IT	2	1	Base	3

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

Allocation Id : 02IT

Series Id : 2

Step Number : 1

Pool Base Indicator : Base

PL/BS Seq No : 3

Description : Base to identify Research Division of Legal Services Dept

Forward Reference Step Number :

Base Type : Statistical

Allocation Percent :

Statistical Group : 02LG

Statistical Record Id : RES

Statistical Unit : 4000.000000

Override Original Distribution with Offset Values : ☐

Offset ID :

22. View the grid at the top of the PLBS page. Notice the one pool and three base records created for Series 2.



E. Navigate to PBDIST and create an accounting distribution entry for the pool record for Series 2.

1. In the grid at the top of the Pool/Base Setup page, click the **Pool** record. Verify there is a check mark to the left of the pool record in the grid.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
✓ 02IT	2	1	Pool	1
02IT	2	1	Base	1
02IT	2	1	Base	2
02IT	2	1	Base	3

2. Click the **Pool/Base Distribution** link to navigate to PBDIST.
3. Click **Insert**. Notice that **Pool** is inferred from the PLBS in the **Pool Base Indicator** field.
4. From the **Distribution Type** drop down list, select **Accounting**.

Distribution Type : Accounting ▼

5. Click the **Fund Accounting** component to expand it.
6. From the **Fund Rollup Type** drop down list, select **CODE**.
7. In the **Fund** field, enter the data from *your student data card*.
8. From the **Obj/Rev Indicator** drop down list, select **Object**.
9. From the **Object/Revenue Source Rollup Type** pick list, select **1**.
10. In the **Object/Revenue Source** field, enter **7270**.
11. In the **Sub Object/Revenue Source** field, enter **0001**.
12. In the **Department** field, enter the data from *your student data card*.
13. In the **Unit** field, enter the data from *your student data card*.
14. Click **Save**.

**Pool/Base Distribution**

Allocation Id	Series Id	Step No	Pool Base Indicator	Pool Base Sequence No	Department	Alloc Percent	Distribution Type	Exclude Flag
✓ 02IT	2	1	Pool	1	102	100.000000	Accounting	No

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

▼ **General Information**

Allocation Id : 02IT Pool Base Sequence No : 1  
 Series Id : 2 Distribution Type : Accounting  
 Step No : 1 Accumulation Distribution No : 1  
 Pool Base Indicator : Pool Exclude Flag : ☐  
 Alloc Percent : 100.000000 Include/Exclude Sequence No : 1

▼ **Fund Accounting**

Fund Rollup Type : CODE Department : 102 Appr Unit Rollup Type :  
 Fund : 9002 Unit : 0102 Appr Unit :  
 Sub Fund : Sub Unit :  
 Obj/Rev Indicator : Object Government Branch :  
 Object/Revenue Source Rollup Type : 1 Cabinet :  
 Object/Revenue Source Rollup Type Name : CODE Division : Department Object/Revenue Source Indicator :  
 Object/Revenue Source : 7270 Group : Department Object/Revenue Rollup Type :  
 Sub Object/Revenue Source : 0001 Bureau : Department Object/Revenue :  
 Section :  
 District :

F. Create an accounting distribution entry for the Administration Division base record for Series 2.

1. At the bottom of the Pool/Base Distribution page, click the **Pool/Base Setup** link to return to PLBS.

- In the grid at the top of the Pool/Base Setup page, click the **Base** record with **PL/BS Seq No 1**. Verify there is a check mark to the left of the base record in the grid.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
02IT	2	1	Pool	1
✓ 02IT	2	1	Base	1
02IT	2	1	Base	2
02IT	2	1	Base	3

- Click the **Pool/Base Distribution** link to navigate to PBDIST.
- Click **Insert**. Notice that **Base** is inferred from the PLBS in the **Pool Base Indicator** field and the **Pool Base Sequence No** is **1**.
- From the **Distribution Type** drop down list, select **Accounting**.
- Click the **Fund Accounting** component to expand it.
- From the **Fund Rollup Type** drop down list, select **CODE**.
- In the **Fund** field, enter **AG2657**.
- In the **Department** field, enter **AGA**.
- In the **Unit** field, enter **ASD** (the Unit code for the fictitious Administration Division).
- From the **Appr Unit Rollup Type** drop down list, select **CODE**.
- In the **Appr Unit** field, enter **AG11111**.
- Click **Save**.

Allocation Id	Series Id	Step No	Pool Base Indicator	Pool Base Sequence No	Department	Alloc Percent	Distribution Type	Exclude Flag
02IT	2	1	Pool	1	102	100.000000	Accounting	No
✓ 02IT	2	1	Base	1	AGA		Accounting	No

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

▼ General Information

Allocation Id: 02IT Pool Base Sequence No: 1

Series Id: 2 Distribution Type: Accounting

Step No: 1 Accumulation Distribution No: 1

Pool Base Indicator: Base Exclude Flag: ☐

Alloc Percent: Include/Exclude Sequence No: 1

▼ Fund Accounting

Fund Rollup Type: CODE Department: AGA Appr Unit Rollup Type: CODE

Fund: AG2657 Unit: ASD Appr Unit: AG11111

Sub Fund: Sub Unit: BSA Rollup Type:

Obj/Rev Indicator: Government Branch: BSA:

Object/Revenue Source Rollup Type: Cabinet: Sub BSA:

Object/Revenue Source Rollup Type Name: Division: Department Object/Revenue Source Indicator:

Object/Revenue Source: Group: Department Object/Revenue Rollup Type:

Sub Object/Revenue Source: Bureau: Department Object/Revenue:

Section: District:

## G. Create an accounting distribution entry for the Processing Division base record for Series 2.

- At the bottom of the Pool/Base Distribution page, click the **Pool/Base Setup** link to return to PLBS.
- In the grid at the top of the Pool/Base Setup page, click the **Base** record with **PL/BS Seq No 2**. Verify there is a check mark to the left of the base record in the grid.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
02IT	2	1	Pool	1
02IT	2	1	Base	1
✓ 02IT	2	1	Base	2
02IT	2	1	Base	3

- Click the **Pool/Base Distribution** link to navigate to PBDIST.
- Click **Insert**. Notice that **Base** is inferred from the PLBS in the **Pool Base Indicator** field and the **Pool Base Sequence No** is 2.
- From the **Distribution Type** drop down list, select **Accounting**.
- Click the **Fund Accounting** component to expand it.
- From the **Fund Rollup Type** drop down list, select **CODE**.
- In the **Fund** field, enter **AG2657**.
- In the **Department** field, enter **AGA**.
- In the **Unit** field, enter **PRC** (the Unit code for the fictitious Processing Division).
- From the **Appr Unit Rollup Type** drop down list, select **CODE**.
- In the **Appr Unit** field, enter **AG11111**.
- Click **Save**.

Allocation Id	Series Id	Step No	Pool Base Indicator	Pool Base Sequence No	Department	Alloc Percent	Distribution Type	Exclude Flag
02IT	2	1	Pool	1	102	100.000000	Accounting	No
02IT	2	1	Base	1	AGA		Accounting	No
✓ 02IT	2	1	Base	2	AGA		Accounting	No

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

**General Information**

Allocation Id: 02IT Pool Base Sequence No: 2

Series Id: 2 Distribution Type: Accounting

Step No: 1 Accumulation Distribution No: 1

Pool Base Indicator: Base Exclude Flag: ☐

Alloc Percent: Include/Exclude Sequence No: 1

**Fund Accounting**

Fund Rollup Type: CODE Department: AGA Appr Unit Rollup Type: CODE

Fund: AG2657 Unit: PRC Appr Unit: AG11111

Sub Fund: Sub Unit: BSA Rollup Type:

Obj/Rev Indicator: Government Branch: BSA:

Object/Revenue Source Rollup Type: Cabinet: Sub BSA:

Object/Revenue Source Rollup Type Name: Division: Department Object/Revenue Source Indicator:

Object/Revenue Source: Group: Department Object/Revenue Rollup Type:

Sub Object/Revenue Source: Bureau: Department Object/Revenue:

Section: District:

H. Create an accounting distribution entry for the Research Division base record for Series 2 and return to the Home Page.

1. At the bottom of the Pool/Base Distribution page, click the **Pool/Base Setup** link to return to PLBS.
2. In the grid at the top of the Pool/Base Setup page, click the **Base** record with **PL/BS Seq No 3**. Verify there is a check mark to the left of the base record in the grid.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
02IT	2	1	Pool	1
02IT	2	1	Base	1
02IT	2	1	Base	2
✓ 02IT	2	1	Base	3

3. Click the **Pool/Base Distribution** link to navigate to PBDIST.
4. Click **Insert**. Notice that **Base** is inferred from the PLBS in the **Pool Base Indicator** field and the **Pool Base Sequence No** is **3**.
5. From the **Distribution Type** drop down list, select **Accounting**.
6. Click the **Fund Accounting** component to expand it.
7. From the **Fund Rollup Type** drop down list, select **CODE**.
8. In the **Fund** field, enter **AG2657**.
9. In the **Department** field, enter **AGA**.
10. In the **Unit** field, enter **RES** (the Unit code for the fictitious Research Division).
11. From the **Appr Unit Rollup Type** drop down list, select **CODE**.
12. In the **Appr Unit** field, enter **AG11111**.
13. Click **Save**.

Allocation Id	Series Id	Step No	Pool Base Indicator	Pool Base Sequence No	Department	Alloc Percent	Distribution Type	Exclude Flag
02IT	2	1	Pool	1	102	100.000000	Accounting	No
02IT	2	1	Base	1	AGA		Accounting	No
02IT	2	1	Base	2	AGA		Accounting	No
✓ 02IT	2	1	Base	3	AGA		Accounting	No

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

**General Information**

Allocation Id: 02IT Pool Base Sequence No: 3

Series Id: 2 Distribution Type: Accounting

Step No: 1 Accumulation Distribution No: 1

Pool Base Indicator: Base Exclude Flag: ☐

Alloc Percent: Include/Exclude Sequence No: 1

**Fund Accounting**

Fund Rollup Type: CODE Department: AGA Appr Unit Rollup Type: CODE

Fund: AG2657 Unit: RES Appr Unit: AG11111

Sub Fund: Sub Unit: BSA Rollup Type: BSA: Sub BSA:

Obj/Rev Indicator: Government Branch: Cabinet: Division: Department Object/Revenue Source Indicator:

Object/Revenue Source Rollup Type: Object/Revenue Source Name: Group: Department Object/Revenue Source Rollup Type:

Sub Object/Revenue Source: Bureau: Section: District: Department Object/Revenue:

14. Click **Home** in the Primary Navigation Panel to return to the Home Page.

### 4.3. Create an Allocation using the Direct Financial Base Type

The Direct Financial Base Type is used when the allocation percentage must be calculated by AFIS, rather than using a fixed percentage or a statistical value. The Direct Financial Base Type is often called a spending-based method of calculating the allocation percentage, because expenditures of some type are identified as the basis of the allocation. The expenditures used to calculate the percentages are identified for each base by an accumulation distribution on PBDIST. When the Cost Allocation Process is run, AFIS accumulates the expenditures for each base and calculates the appropriate allocation percentage.

To illustrate the calculations associated with the Direct Financial Base Type, refer to Figure 5. In this example, the personnel costs (salary and benefits) of a Department Head are allocated to the three programs managed by the Department Head, based on the program expenditures during the month. In each month, there is \$12,500 in personnel expenses to be allocated. There are three programs, with total monthly expenditures for July of \$40,000. In July, Program 1 had expenditures of \$8,000. This was calculated to be 20% of all program expenditures for the month. Therefore, Project 1 is allocated \$2,500 of the personnel costs in July ( $\$12,500 \times 20\% = \$2,500$ ). In August, Program 1 had no expenditures; therefore, Project 1 is not allocated any personnel costs for August. However, in August, Programs 2 and 3 had equal expenditures, so the personnel costs were evenly split between the two programs.

**Figure 5: Sample Direct Financial Base Type Calculations**

	July			August			September		
	Program Spend	Percentage of Total (AFIS Calculated)	Amount Allocated	Program Spend	Percentage of Total (AFIS Calculated)	Amount Allocated	Program Spend	Percentage of Total (AFIS Calculated)	Amount Allocated
Dept Head Personnel Costs	\$12,500			\$12,500			\$12,500		
Program 1	\$8,000	0.20	\$2,500	\$0	0.00	\$0	\$35,000	0.70	\$8,750
Program 2	\$20,000	0.50	\$6,250	\$25,000	0.50	\$6,250	\$10,000	0.20	\$2,500
Program 3	\$12,000	0.30	\$3,750	\$25,000	0.50	\$6,250	\$5,000	0.10	\$1,250
Totals	40,000		12500	50000		12500	50000		12500

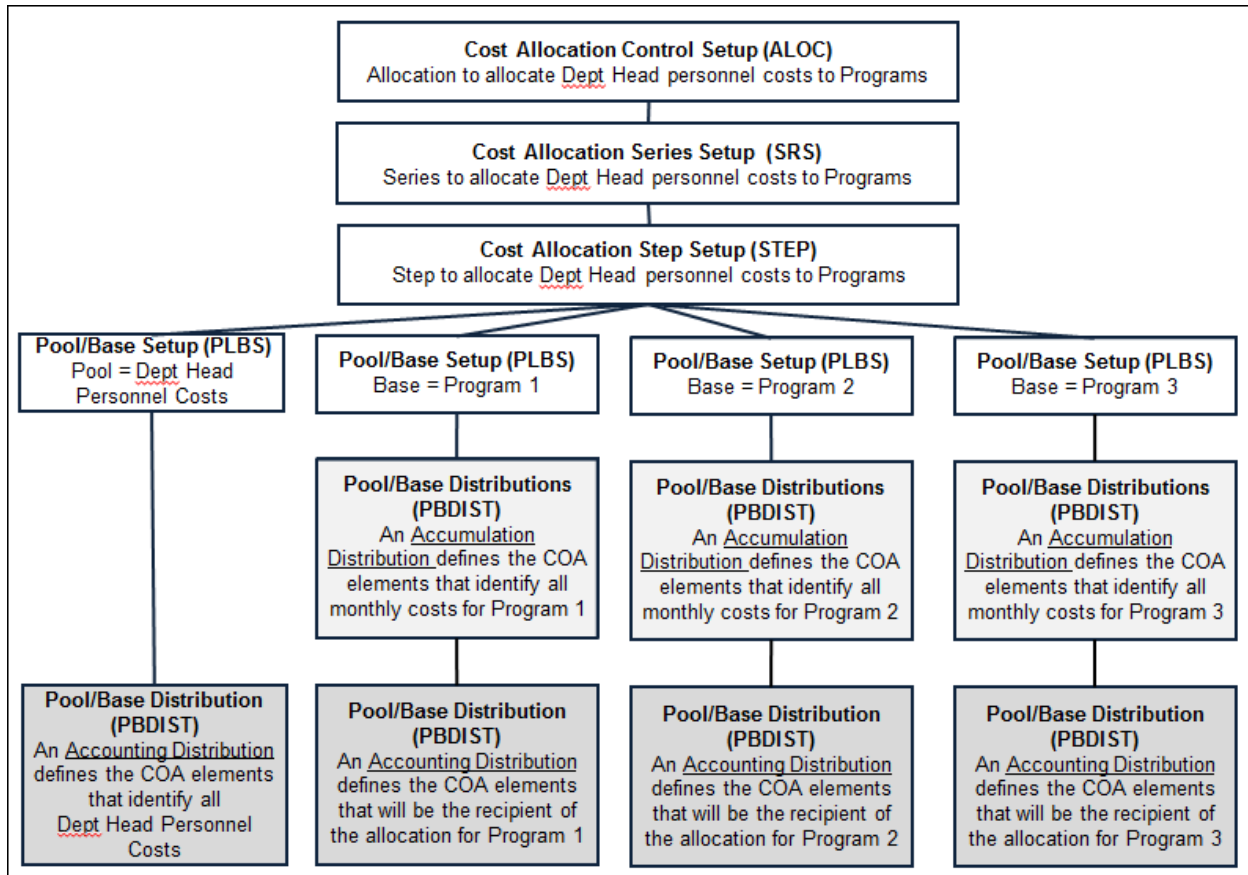
#### Accumulation Distributions

The accumulation distribution defines the COA elements that identify transactions used by the Direct Financial Base Type to calculate the allocation percentage. One or more accumulation distributions are defined for each base.

In the example above, the accumulation distribution setup on PBDIST enables AFIS to identify the monthly transactions charged to each program, which forms the basis for calculating the allocation percentage.

The setup of a typical Direct Financial Base Type allocation is illustrated in Figure 6.

**Figure 6: Direct Financial Base Type and the Accumulation Distribution**



The setup of a Direct Financial Base Type allocation includes the following steps:

- The ALOC, SRS, and STEP records for the Cost Allocation hierarchy are established.
- One pool record is setup on PLBS to define the costs to be allocated (personnel costs, in our example).
  - An accounting distribution PBDIST record for the pool is created to identify the unique COA elements assigned to the Department Head's personnel costs. It is this accounting distribution that allows AFIS to identify the monthly personnel expenditures that must be allocated.
- Three records are set up on PLBS to define the base accumulation distributions for the three programs and three records are setup on PLBS to define the base accounting distributions for the three programs.
  - A base accumulation distribution PBDIST record is created to identify the unique COA elements that are assigned to each program. These COA elements identify the monthly spend for that program.
  - A base accounting distribution PBDIST record is created to identify the unique COA elements to receive the allocation, once calculated.

- As a step in the automated Cost Allocation Process, total monthly expenditures associated with the accumulation distribution for each program are summed, and then used to calculate the percentage of total program expenditure activity for the month.
- This percentage then becomes the allocation percentage used to allocate the Department Head's personnel costs to each program, as defined by the accounting distribution for each base.

### ACTIVITY 4.3

## Create a Cost Allocation Hierarchy with a Direct Financial Base Type

### Scenario

The personnel expenses for a Department Head must be allocated to the three programs managed by that Department Head, based on the monthly expenditure activity for each program. Establish a Cost Allocation hierarchy to accomplish this allocation.

### Setup

- ✓ User is logged in to the AFIS Home Page.
- ✓ An Allocation Id has been established on ALOC for each student.
- ✓ A Series Id has been established on SRS for each student.

### Steps

- Navigate to the Cost Allocation Control Setup (ALOC) page and search for the Allocation Id created by GAO.
  - In the **Jump to** field, enter **ALOC**.
  - Click **Go**. The Cost Allocation Control Setup page is displayed.
  - Click **Search**. A Search window is displayed.
  - In the **Allocation Id** field, enter **XXPR** where XX are the two digits from your Student ID.
  - Click **Ok**. The Cost Allocation Control Setup record for your Student ID is displayed.
- View the information displayed in the Allocation Information component.
  - Notice the **Allocation Frequency** is **Monthly**.
  - Notice the **Cash Expenditures** check box is checked, indicating this allocation is for expenditures.

**Allocation Information**

**Allocation Id :** 02PR

**Description :** Allocation of Dept Head personnel costs to Dept programs

**Allocation Frequency :** Monthly

**Cash Expenditures :** ☒

**Collected Revenues :** ☐

**Charges :** ☐


**Charge Back :** ☐

- View the default inheritance rules established in the Inheritance Information component.
  - Click the arrow beside **Inheritance Information**, to expand that component.

- Notice the **Department/Unit Inheritance Type** and **Major Program/Program Inheritance Type** fields instruct AFIS to inherit information from the Base record. The remaining elements will be inherited from the Pool record.

▼ Inheritance Information	
Fund Inheritance Type :	Pool ▼
Object/Revenue Inheritance Type :	Pool ▼
Balance Sheet Account Inheritance Type :	Pool ▼
Appropriation Unit Inheritance Type :	Pool ▼
Department/Unit Inheritance Type :	Base ▼
Location Inheritance Type :	Pool ▼
Activity Inheritance Type :	Pool ▼
Function Inheritance Type :	Pool ▼
Reporting Inheritance Type :	Pool ▼
Dept Object/Revenue Inheritance Type :	Pool ▼
Task Inheritance Type :	Pool ▼
Task Order Inheritance Type :	Pool ▼
Major Program/Program Inheritance Type :	Base ▼

- Navigate to the Series (SRS) page and view the Series Information component.
  - On the lower left corner of the **ALOC**, click the **Cost Allocation Series Setup** link. The Cost Allocation Series Setup page is displayed.
  - In the **Series Description** field, notice the description *Allocation of Dept Head personnel costs to Dept programs*.
  - The inheritance rules will not be modified at the SRS level, so it is not necessary to enter information in the Inheritance Information component.

Cost Allocation Series Setup	
<u>Allocation Id</u>	<u>Series Id</u>
✓ 02PR	1
First Prev Next Last	
<a href="#">Save</a> <a href="#">Undo</a> <a href="#">Delete</a> <a href="#">Insert</a> <a href="#">Copy</a> <a href="#">Paste</a> <a href="#">Search</a>	
▼ Series Information	
Allocation Id :	02PR 
Series Id :	1
Series Description :	Allocation of Dept Head personnel costs to Dept programs

- Navigate to the Cost Allocation Step Setup (STEP) page and complete the Step Information component.
  - Below the Inheritance Information component, click the **Cost Allocation Step Setup** link.
  - Click **Insert**.
  - In the **Step No** field, enter **1**.
  - In the **Description** field, enter *Allocation of Dept Head personnel costs to Dept programs*.
  - From the **Base Type** drop down list, select **Direct Financial Only**.



6. The inheritance rules will not be modified at the STEP level, so it is not necessary to enter information in the Inheritance Information component.
7. Click **Save**.

**Cost Allocation Step Setup**

Allocation Id	Series Id	Step No
✓ 02PR	1	1

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

**Step Information**

Allocation Id : 02PR

Series Id : 1

Step No : 1

Description : Allocation of Dept Head personnel costs to Dept programs

Base Type : Direct Financial Only

Charge Back Object :

- E. Navigate to the PLBS page and create one pool and two base records.
  1. Below the Inheritance Information component, click the **Pool/Base Setup** link.
  2. Click **Insert**.
  3. From the **Pool/Base Indicator** drop down list, select **Pool**.
  4. In the **Description** field, enter **Pool to identify Dept Head personnel costs**.
  5. Click **Save**. Notice the **Allocation Percent** field defaults to **100.000000**.

**Pool/Base Setup**

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
✓ 02PR	1	1	Pool	1

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

Allocation Id : 02PR

Series Id : 1

Step Number : 1

Pool Base Indicator : Pool

PL/BS Seq No : 1

Description : Pool to identify Dept Head personnel costs

Forward Reference Step Number :

Base Type : Direct Financial Only

Allocation Percent : 100.000000

Statistical Group :

Statistical Record Id :

Statistical Unit :

Override Original Distribution with Offset Values : ☐

Offset ID :

6. While still on the pool record, click **Insert**.
7. From the **Pool/Base Indicator** drop down list, select **Base**.
8. In the **Description** field, enter **Base to identify Program 1**.

9. Click **Save**.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
02PR	1	1	Pool	1
✓ 02PR	1	1	Base	1

First Prev Next Last

[Save](#)
[Undo](#)
[Delete](#)
[Insert](#)
[Copy](#)
[Paste](#)
[Search](#)

Allocation Id : 02PR  
 Series Id : 1  
 Step Number : 1  
 Pool Base Indicator : Base  
 PL/BS Seq No : 1  
 Description : Base to identify Program 1.  
 Forward Reference Step Number :

Base Type : Direct Financial Only  
 Allocation Percent :  
 Statistical Group :  
 Statistical Record Id :  
 Statistical Unit :  
 Override Original Distribution with Offset Values : ☐  
 Offset ID :

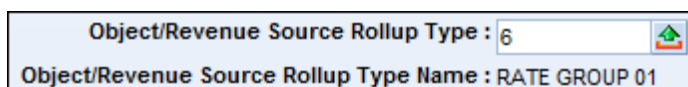
10. While still on the base record for Program 1, click **Copy**.11. Click **Paste**.12. In the **Description** field, change the defaulted entry to **Base to identify Program 2**.13. Click **Save**.14. While still on the base record for Program 2, click **Copy**.15. Click **Paste**.16. In the **Description** field, change the defaulted entry to **Base to identify Program 3**.17. Click **Save**.


## 18. View the grid at the top of the PLBS page. Notice the one pool and three base records created for the new allocation hierarchy.

Allocation Id	Series Id	Step Number	Pool Base Indicator	PL/BS Seq No
02PR	1	1	Pool	1
02PR	1	1	Base	1
02PR	1	1	Base	2
✓ 02PR	1	1	Base	3

## F. Navigate to PBDIST and create an accounting distribution entry for the pool record.

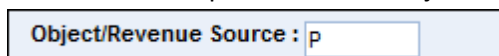
1. In the grid at the top of the Pool/Base Setup page, click the **Pool** record. Verify there is a check mark to the left of the pool record in the grid.
2. Click the **Pool/Base Distribution** link to navigate to PBDIST.
3. Click **Insert**. Notice that **Pool** is inferred from the PLBS in the **Pool Base Indicator** field.
4. From the **Distribution Type** drop down list, select **Accounting**.
5. Click the **Fund Accounting** component to expand it.
6. From the **Fund Rollup Type** drop down list, select **CODE**.
7. In the **Fund** field, enter the data from **your student data card**.
8. From the **Obj/Rev Indicator** drop down list, select **Object**.
9. From the **Object/Revenue Source Rollup Type** pick list, select **6** which corresponds with Rate Group 01 you viewed earlier. This Rate Group identifies the four Object codes used for personnel expenditures.



Object/Revenue Source Rollup Type : 6 

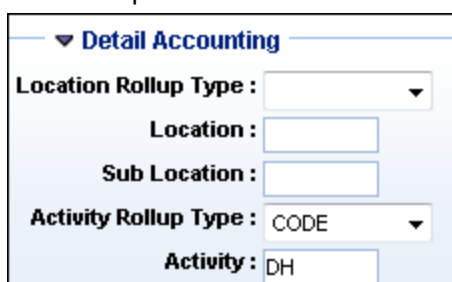
Object/Revenue Source Rollup Type Name : RATE GROUP 01

10. In the **Object/Revenue Source** field, enter **P** to identify the Rate Group. This will result in the selection for the pool of all four Object codes associated with Rate Group 01.



Object/Revenue Source : p

11. In the **Department** field, enter the data from *your student data card*.
12. In the **Unit** field, enter the data from *your student data card*.
13. Click **Detail Accounting** to expand it.
14. Scroll to the bottom of the page to display the Detail Accounting component.
15. From the **Activity Rollup Type** drop down list, select **CODE**.
16. In the **Activity** field, enter **DH**. This is the activity code used to identify the specific expenditures for this Department Head.



▼ **Detail Accounting**

Location Rollup Type :

Location :

Sub Location :

Activity Rollup Type : CODE

Activity : DH

17. Scroll to the top of the page.
18. Click **Save**.
- G. Create an accounting distribution entry for the Program 1 base record.
1. Scroll to the bottom of the page.
  2. Click the **Pool/Base Setup** link to return to PLBS.
  3. In the grid at the top of the Pool/Base Setup page, click the **Base** record with **PL/BS Seq No 1**. Verify there is a check mark to the left of the base record in the grid.
  4. Click the **Pool/Base Distribution** link to navigate to PBDIST.
  5. Click **Insert**. Notice that **Base** is inferred from PLBS in the **Pool Base Indicator** field and the **Pool Base Sequence No** is **1**.
  6. From the **Distribution Type** drop down list, select **Accounting**.
  7. In the **Accumulation Distribution No** field, enter **1**.
  8. Click the **Fund Accounting** component to expand it.
  9. In the **Department** field, enter the data from *your student data card*.
  10. In the **Unit** field, enter the data from *your student data card*.
  11. Click the **Detail Accounting** component to expand it.
  12. Scroll to the bottom of the page to display the Detail Accounting component.

13. From the **Program Rollup Type** drop down list, select **CODE**.
14. In the **Program** field, enter **1**.

<b>Program Rollup Type :</b>	CODE
<b>Program :</b>	1

15. Scroll to the top of the page.
16. Click **Save**.

H. Create an accumulation distribution entry for the Program 1 base record.

1. While still on the accounting distribution record for Program 1, click **Insert**.
2. Notice that **Base** is inferred from the PLBS in the **Pool Base Indicator** field and the **Pool Base Sequence No** is **1**.
3. From the **Distribution Type** drop down list, select **Accumulation**.
4. In the **Accumulation Distribution No** field, enter **1**.
5. In the **Department** field, enter the data from *your student data card*.
6. In the **Unit** field, enter the data from *your student data card*.
7. Scroll down to display the **Detail Accounting** component.
8. From the **Program Rollup Type** drop down list, select **CODE**.
9. In the **Program** field, enter **1**.
10. Scroll to the top of the page.
11. Click **Save**. In the PBDIST grid, there is one Pool Accounting Distribution record, one Accounting Distribution record for Base 1, and one Accumulation Distribution record for Base 1.

Pool/Base Distribution									
	Allocation Id	Series Id	Step No	Pool Base Indicator	Pool Base Sequence No	Department	Alloc Percent	Distribution Type	Exclude Flag
	02PR	1	1	Pool	1	102	100.000000	Accounting	No
	02PR	1	1	Base	1	102		Accounting	No
✓	02PR	1	1	Base	1	102		Accumulation	No

I. Create an accounting distribution entry for the Program 2 base record.

1. Scroll to the bottom of the page.
2. Click the **Pool/Base Setup** link to return to PLBS.
3. In the grid at the top of the Pool/Base Setup page, click the **Base** record with **PL/BS Seq No 2**. Verify there is a check mark to the left of the base record in the grid.
4. Click the **Pool/Base Distribution** link to navigate to PBDIST.
5. Click **Insert**. Notice that **Base** is inferred from PLBS in the **Pool Base Indicator** field and the **Pool Base Sequence No** is **2**.
6. From the **Distribution Type** drop down list, select **Accounting**.
7. In the **Accumulation Distribution No** field, enter **1**.
8. Click the **Fund Accounting** component to expand it.
9. In the **Department** field, enter the data from *your student data card*.
10. In the **Unit** field, enter the data from *your student data card*.
11. Click the **Detail Accounting** component to expand it.
12. Scroll to the bottom of the page to display the Detail Accounting component.

13. From the **Program Rollup Type** drop down list, select **CODE**.

14. In the **Program** field, enter **2**.

15. Scroll to the top of the page.

16. Click **Save**.

J. Create an accumulation distribution entry for the Program 2 base record.

1. While still on the accounting distribution record for Program 2, click **Insert**.

2. Notice that **Base** is inferred from the PLBS in the **Pool Base Indicator** field and the **Pool Base Sequence No** is **2**.

3. From the **Distribution Type** drop down list, select **Accumulation**.

4. In the **Accumulation Distribution No** field, enter **1**.

5. In the **Department** field, enter the data from *your student data card*.

6. In the **Unit** field, enter the data from *your student data card*.

7. Scroll down to display the **Detail Accounting** component.

8. From the **Program Rollup Type** drop down list, select **CODE**.

9. In the **Program** field, enter **2**.

10. Scroll to the top of the page.

11. Click **Save**. There are now five records in the PBDIST grid: one pool Accounting Distribution record, and an Accounting Distribution and an Accumulation Distribution record for Base 1 and Base 2.

Allocation Id	Series Id	Step No	Pool Base Indicator	Pool Base Sequence No	Department	Alloc Percent	Distribution Type	Exclude Flag
02PR	1	1	Pool	1	102	100.000000	Accounting	No
02PR	1	1	Base	1	102		Accounting	No
02PR	1	1	Base	1	102		Accumulation	No
02PR	1	1	Base	2	102		Accounting	No
✓ 02PR	1	1	Base	2	102		Accumulation	No

K. Create an accounting distribution entry for the Program 3 base record.

1. Scroll to the bottom of the page.

2. Click the **Pool/Base Setup** link to return to PLBS.

3. In the grid at the top of the Pool/Base Setup page, click the **Base** record with **PL/BS Seq No 3**. Verify there is a check mark to the left of the base record in the grid.

4. Click the **Pool/Base Distribution** link to navigate to PBDIST.

5. Click **Insert**. Notice that **Base** is inferred from PLBS in the **Pool Base Indicator** field and the **Pool Base Sequence No** is **3**.

6. From the **Distribution Type** drop down list, select **Accounting**.

7. In the **Accumulation Distribution No** field, enter **1**.

8. Click the **Fund Accounting** component to expand it.

9. In the **Department** field, enter the data from *your student data card*.

10. In the **Unit** field, enter the data from *your student data card*.

11. Click the **Detail Accounting** component to expand it.

12. Scroll to the bottom of the page to display the Detail Accounting component.

13. From the **Program Rollup Type** drop down list, select **CODE**.

14. In the **Program** field, enter **3**.
15. Scroll to the top of the page.
16. Click **Save**.

- L. Create an accumulation distribution entry for the Program 3 base record.
1. While still on the accounting distribution record for Program 3, click **Insert**.
  2. Notice that **Base** is inferred from the PLBS in the **Pool Base Indicator** field and the **Pool Base Sequence No** is **3**.
  3. From the **Distribution Type** drop down list, select **Accumulation**.
  4. In the **Accumulation Distribution No** field, enter **1**.
  5. In the **Department** field, enter the data from *your student data card*.
  6. In the **Unit** field, enter the data from *your student data card*.
  7. Scroll down to display the **Detail Accounting** component.
  8. From the **Program Rollup Type** drop down list, select **CODE**.
  9. In the **Program** field, enter **3**.
  10. Scroll to the top of the page.
  11. Click **Save**.
  12. Notice there are seven lines in the PBDIST grid at the top of the page; one pool accounting distribution to identify the Department Head personnel expense; and an accumulation distribution and an accounting distribution for Programs 1, 2, and 3.

Pool/Base Distribution									
Allocation Id	Series Id	Step No	Pool Base Indicator	Pool Base Sequence No	Department	Alloc Percent	Distribution Type	Exclude Flag	
02PR	1	1	Pool	1	102	100.000000	Accounting	No	
02PR	1	1	Base	1	102		Accounting	No	
02PR	1	1	Base	1	102		Accumulation	No	
02PR	1	1	Base	2	102		Accounting	No	
02PR	1	1	Base	2	102		Accumulation	No	
02PR	1	1	Base	3	102		Accounting	No	
✓ 02PR	1	1	Base	3	102		Accumulation	No	

13. Click **Home** in the Primary Navigation Panel to return to the Home Page.

## 4.4. The Direct and Instream Financial Base Type

The Direct and Instream Financial Base Type is a two-step allocation method that is a variation of the Direct Financial method. The allocation calculated in the first step may use any Base Type (Fixed Percentage, Statistical, or Direct Financial). The second step of the allocation is a Direct and Instream Financial Base Type that utilizes some or all of the output from Step 1 in the accumulation distributions used to calculate the allocation percentage in Step 2.

Specifically, if a base accounting distribution in Step 1 matches a base accumulation distribution in Step 2, then the amounts allocated to the base accounting distribution in Step 1 will be added to the amount computed in the Base Accumulation process for Step 2. This total will be the basis for calculating the allocation percentage for the base in Step 2. Currently, the State is not using this Base Type.

## Lesson Summary

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In this lesson, you:

- Identified the role of the Statistical Unit (STAT) page
- Created a Statistical Base Type Cost Allocation structure by adding a new Series to an existing Cost Allocation hierarchy
- Identified the Cost Allocation elements required to configure a Direct Financial Base Type Cost Allocation structure
- Created a Direct Financial Base Type Cost Allocation structure by adding a new Series to an existing Cost Allocation hierarchy
- Identified the unique characteristics of the Direct and Instream Financial Base Type

## Check Your Progress

---

1. If square footage will be used as a basis for allocation, the number of square feet to use to calculate the allocation percentage is entered on the Statistical Unit (STAT) page.
  - a. True
  - b. False
2. A Cost Allocation structure using the Statistical Base Type must have an accumulation distribution established for each base record.
  - a. True
  - b. False
3. An accumulation distribution can be established on PBDIST for \_\_\_\_\_.
  - a. Pool records
  - b. Base records
  - c. Both pool and base record
4. A Cost Allocation structure using the Direct Financial Base Type must include \_\_\_\_\_ records on PBDIST.
  - a. Pool Offset accounting distribution
  - b. Base accounting distribution
  - c. Base accumulation distribution
  - d. Pool accounting distribution
  - e. All of the above.
  - f. b., c., and d.

## 5. DATA ENTRY SHORTCUTS

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### Learning Objectives

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In this lesson, you will:

- Identify four features used to reduce data entry on the Pool/Base Distribution (PBDIST) page
- Use data entry shortcuts to create accounting distributions on PBDIST

### Lesson Overview

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Four features of the Cost Allocation pages provide data entry shortcuts that streamline creation of entries on PBDIST. This lesson explains each feature and provides activities to gain experience in utilizing each feature.

#### 5.1. Pool and Base Expansion

---

During the automated Cost Allocation Process, AFIS selects transactions for an allocation based on the entries established for the pool accounting distribution records on PBDIST. This selection process is called Pool Expansion. The transactions identified by the Pool Expansion process are then allocated to the base accounting distributions identified on PBDIST for each base. This is called Base Expansion.

Some Cost Allocations may require many different accounting distributions to identify the pool and/or base records. The data entry shortcuts described in this lesson streamline the creation of entries on PBDIST.

#### 5.2. Data Entry Shortcuts

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Data entry for accounting, accumulation, and offset distribution records on PBDIST is streamlined by four features of the Cost Allocation pages. These features are listed below and described in detail in the sections that follow.

- Inheritance rules on ALOC, SRS, and STEP enable entry of only the COA elements that uniquely define the base accounting distribution records, when creating entries on PBDIST.
- The Exclude check box, in the General Information component on PBDIST, enables definition by exclusion, in addition to inclusion, if the use of exclusion results in less data entry.
- Wildcards can be used to include or exclude groups of transactions.
- Rollups can be used to define transactions for all COA elements that link to the rollup.



## Inheritance

The Inheritance feature enables reduction in data entry by requiring entry of only the COA elements that uniquely define the accounting, accumulation, or offset distribution. All other COA elements are inherited from the pool. Inheritance rules are established on ALOC and may be overridden on SRS and STEP.

For example, if one Program code is initially charged for all expenditures and those expenditures will then be allocated to multiple Programs, only the Program code must be entered on the pool and base accounting distribution records. The Fund, Department, Unit, Appropriation Unit, and other COA elements are populated based on the inheritance rules established on ALOC, SRS, or STEP. The entry of the Program code on the pool PBDIST record directs AFIS to select all transactions with that unique Program code, no matter what other COA elements exist on the Accounting Line of the transaction.

To illustrate this concept, assume we need to allocate all costs from Program A to Programs B and C:

- The pool establishes Program A as the costs to be allocated
- The bases identify the recipient Programs B and C
- One pool accounting distribution record is created with A in the Program field
- Two base accounting distribution records are created: one with B in the Program field and one with C in the Program field
- When the CA document is generated to post the allocation, all COA elements will be copied from the Accounting lines on the pool transactions, except the Program code. The Program code will be populated from the base accounting distribution defined on PBDIST

**Pool/Base Distribution**

Allocation Id	Series Id	Step No	Pool Base Indicator	Pool Base Sequence No	Department	Alloc Percent	Distribution Type	Exclude
✓ ZZAL	1	1	Pool	1		100.000000	Accounting	No

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

**General Information**

Allocation Id : ZZAL Pool Base Sequence No : 1  
 Series Id : 1 Distribution Type : Accounting  
 Step No : 1 Accumulation Distribution No : 1  
 Pool Base Indicator : Pool Exclude Flag : ☐  
 Alloc Percent : 100.000000 Include/Exclude Sequence No : 1

**Fund Accounting**

**Detail Accounting**

Location Rollup Type : Reporting Rollup Type : Major Program Rollup Type :  
 Location : Reporting : Major Program :  
 Sub Location : Sub Reporting : Program Rollup Type : CODE  
 Activity Rollup Type : Task : Program : A  
 Activity : Sub Task : Phase :  
 Sub Activity : Task Order : Program Period :  
 Function Rollup Type :  
 Function :  
 Sub Function :

## Exclude Check Box

The Exclude check box in the General Information component on PBDIST enables the user to exclude, rather than include, transactions with the COA elements identified in the Fund and Detail Accounting

components. Exclude distributions can only be entered on accounting distributions for pool records and accumulation distributions for base records.

If the Exclude check box is unchecked, AFIS will include transactions containing the COA elements identified in the Fund and Detail Accounting components during the expansion process. If the Exclude check box is checked, AFIS will remove transactions identified during the expansion process, if the transaction contains the COA elements defined in those components.

For each pool and base, an Include PBDIST record (with the Exclude check box unchecked) must be established first. Only one Include PBDIST record is allowed for a pool; however, multiple Include PBDIST records are allowed for a base. Then, additional PBDIST records, with the Exclude check box checked, can be established to remove or exclude transactions from pool or base expansion results.

For example, if transactions for all Activity codes except Activity 0105 should be allocated, a pool PBDIST record is created to include transactions containing all Activity codes during Pool Expansion, then a second Exclude PBDIST record is created to remove transactions with Activity code 0105 from the expansion results. See the Use of Wildcards subtopic below for information on how to include all Activity codes with a single PBDIST record.

The Include/Exclude Sequence No field is auto populated when the record on PBDIST is saved.

**Pool/Base Distribution**

Allocation Id	Series Id	Step No	Pool Base Indicator	Pool Base Sequence No	Department	Alloc Percent
✓ ZZLEG	1	1	Pool	1		

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

**General Information**

Allocation Id: ZZLEG Pool Base Sequence No: 1

Series Id: 1 Distribution Type: Accounting

Step No: 1 Accumulation Distribution No:

Pool Base Indicator: Pool Exclude Flag: ☐

Alloc Percent: Include/Exclude Sequence No:

## Use of Wildcards

The third feature available to reduce data entry is the availability of two wildcards, used in conjunction with the Exclude check box to include or exclude groups of transactions. The wildcards available for use in the Fund and Detail Accounting components are the asterisk and exclamation mark. Entering a value in a COA field in these components, or leaving a field blank, also impact the selection of transactions by

the automated Cost Allocation Process. The impact of each entry in a Fund Accounting or Detail Accounting field is described as follows:

- \* - The asterisk instructs AFIS to include/exclude all transactions with an entry in that COA field on the Accounting line.
- ! - The exclamation mark instructs AFIS to include/exclude all transactions without an entry in that COA field on the Accounting line.
- A blank COA element field in the Fund Accounting and Detail Accounting components instructs AFIS to include/exclude all transactions, regardless of whether that COA field is populated on the Accounting line.
- A specific code entered in a COA element field in the Fund Accounting and Detail Accounting components instructs AFIS to include/exclude all transactions, if that specific code is populated on the Accounting line.

Table 3 displays the impact of each wildcard on PBDIST Include records (the Exclude check box is unchecked), during the expansion process.

**Table 3: Impact of Wildcards on PBDIST Include Records**

Field Entry on PBDIST Include Record	COA Value on Document Accounting Line	Selection Result During Expansion Process
*  (Include transactions with an entry)	Any code is entered in the COA field	The transaction is selected, because it has an entry in that COA field on the document Accounting line.
	The COA field is blank	The transaction is not selected, because that COA field is blank on the document Accounting line.
!  (Include those without an entry)	Any code is entered in the COA field	The transaction is not selected, because it has an entry in that COA field on the document Accounting line.
	The COA field is blank	The transaction is selected, because that COA field is blank on the document Accounting line.
Blank  (Include transactions with or without an entry)	Any code is entered in the COA field	The transaction is selected, because it has an entry in that COA field on the document Accounting line. Transactions will be selected whether an entry is in the COA field or not.
	The COA field is blank	The transaction is selected, because it has an entry in that COA field on the document Accounting line. Transactions will be selected whether an entry is in the COA field or not.

Field Entry on PBDIST Include Record	COA Value on Document Accounting Line	Selection Result During Expansion Process
Specific Code - for example, Program code RTMAIN  (Include transactions with the specific code)	RTMAIN is entered in the PROG field	The transaction is selected, because that specific code (RTMAIN) is entered in that COA field on the document Accounting line.
	BRMAIN is entered in the PROG field	The transaction is not selected, unless RTMAIN is entered in that COA field on the document Accounting line.
	The PROG field is Blank	The transaction is not selected, unless RTMAIN is entered in that COA field on the document Accounting line.

Table 4 displays the impact of each wildcard on PBDIST Exclude records (the Exclude check box is checked), during the expansion process. Exclude records are always processed after Include records are processed; therefore, the purpose of the Exclude record is to remove records that have been selected during the expansion process, based on the Include records.

**Table 4: Impact of Wildcards on PBDIST Exclude Records**

Field Entry on PBDIST Exclude Record	COA Value on Document Accounting Line	Selection Result During Expansion Process
*	Any code is entered in the COA field	The transaction is removed, because it has an entry in that COA field on the document Accounting line.
	The COA field is blank	The transaction is retained, because that COA field is blank on the document Accounting line.
!	Any code is entered in the COA field	The transaction is retained, because it has an entry in that COA field on the document Accounting line.
	The COA field is blank	The transaction is removed, because that COA field is blank on the document Accounting line.
Blank	Any code is entered in the COA field	There is no impact if the COA field on an Exclude record is blank. The transaction is retained.
	The COA field is blank	There is no impact if the COA field on an Exclude record is blank. The transaction is retained.

Field Entry on PBDIST Exclude Record	COA Value on Document Accounting Line	Selection Result During Expansion Process
Specific Code - for example, Program code RTMAIN	RTMAIN is entered in the PROG field	The transaction is removed, because that specific code (RTMAIN) is entered in that COA field on the document Accounting line.
(Exclude transactions with the specific code)	BRMAIN is entered in the PROG field	The transaction is retained, if any code other than RTMAIN is entered in that COA field on the document Accounting line.
	The COA field is blank	The transaction is retained; if the field is blank (RTMAIN is not entered in the COA field on the document Accounting line.)

## Use of Rollups

Where applicable for the specific COA element, a Rollup Type field is available to include or exclude all distributions, within any one of the four rollups: Class, Category, Type, or Group. An additional option in each Rollup Type field is Code, which should be selected if a unique COA element is entered rather than a Rollup Type.

The screenshot shows the 'Fund Accounting' form. The 'Fund Rollup Type' dropdown menu is open, displaying the following options: CODE, CLASS, CATEGORY, TYPE, and GROUP. The 'Fund' field is set to 'CODE'. Other fields visible include 'Sub Fund', 'Obj/Rev Indicator', 'Object/Revenue Source Rollup Type', 'Object/Revenue Source Rollup Type Name', 'Object/Revenue Source', and 'Sub Object/Revenue Source'.

For example, if all transactions associated with a Major Program Rollup Group of OHPROJ should be pooled for allocation, the PBDIST record established for the pool would be created, as shown in Figure 7.

**Figure 7: Use of Rollups to Define Accounting Distributions**

The screenshot shows the 'Detail Accounting' form. The 'Major Program Rollup Type' dropdown menu is open, displaying the following options: GROUP and OHPROJ. The 'Major Program' field is set to 'OHPROJ'. Other fields visible include 'Location Rollup Type', 'Location', 'Sub Location', 'Activity Rollup Type', 'Activity', 'Sub Activity', 'Function Rollup Type', 'Function', 'Sub Function', 'Reporting Rollup Type', 'Reporting', 'Sub Reporting', 'Task', 'Sub Task', 'Task Order', 'Program Rollup Type', 'Program', 'Phase', and 'Program Period'.

If only the transactions associated with the specific Major Program RDMAN must be allocated, select Code in the Rollup Type field, and enter RDMAN the Major Program field, as shown below.

Major Program Rollup Type :	CODE
Major Program :	RDMAN

## ACTIVITY 5.2

### Use Data Entry Shortcuts to Create an Accounting Distribution

#### Scenario

The pool record created in Lesson 3 requires corrections. The pool accounting distribution should include all Units except for your assigned Unit Code, and should include only transactions without a Location code on the Accounting line. Modify the existing pool record on PBDIST by inserting an asterisk in the Unit field, to include all Units and an exclamation mark in the Location field, in order to select only transactions with the Location field blank. Then, create an Exclude record to exclude your assigned Unit code.

#### Setup

- ✓ User is logged in to the AFIS Home Page.
- ✓ The Cost Allocation hierarchy defined in Lesson 3 for allocation of IT Service Desk expense (Series 1) is established.

#### Steps

- A. Locate the Allocation Id entry viewed in Activity 3.1.
  1. In the **Jump to** field, enter **ALOC**.
  2. Click **Go**. The Cost Allocation Control Setup page is displayed.
  3. Click **Search**.
  4. In the **Allocation Id** field, enter **XXIT** where XX are the two digits from your Student ID.
  5. Click **OK**. The Allocation Id you viewed in Activity 3.1 is displayed.
- B. Navigate to the Series (SRS) entry you viewed in Activity 3.2 and the Step (STEP) entry created in Activity 3.3.
  1. On the lower left corner of the **ALOC**, click the **Cost Allocation Series Setup** link. The Cost Allocation Series Setup page is displayed. Ensure there is a check mark to the left of **Series Id 1**.
  2. Below the Inheritance Information component of **SRS**, click the **Cost Allocation Step Setup** link. The Cost Allocation Step Setup page is displayed.
- C. Navigate to the Pool/Base Setup (PLBS) entries created in Activity 3.4.
  1. Below the Inheritance information component of **STEP**, click the **Pool/Base Setup** link. The three records created in Activity 3.4 are displayed in the grid at the top of the page.
  2. In the PLBS grid, verify there is a check mark to the left of the pool record.

3. Below the Inheritance Information component of **PLBS**, click the **Pool/Base Distribution** link.  
The Pool/Base Distribution page is displayed.
- D. Modify the pool accounting distribution record on PBDIST to include all Units and select only those transactions where the Location field is blank.
  1. Ensure the record for the pool accounting distribution is selected in the PBDIST grid (**Pool Base Indicator = Pool; Distribution Type = Accounting**). Notice the **Exclude Flag** check box in the General Information component is unchecked, signifying this is an Include record for the pool accounting distribution.

**Pool/Base Distribution**

Allocation Id	Series Id	Step No	Pool Base Indicator	Pool Base Sequence No	Department	Alloc Percent	Distribution Type	Exclude Flag
✓ 02IT	1	1	Pool	1	102	100.000000	Accounting	No
02IT	1	1	Pool	1	AAA		Offset	No
02IT	1	1	Base	1	ADA	60.000000	Accounting	No
02IT	1	1	Base	2	RVA	40.000000	Accounting	No

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

▼ **General Information**

Allocation Id : 02IT Pool Base Sequence No : 1

Series Id : 1 Distribution Type : Accounting

Step No : 1 Accumulation Distribution No : 1

Pool Base Indicator : Pool Exclude Flag : ☐

Alloc Percent : 100.000000 Include/Exclude Sequence No : 1

2. Click the **Fund Accounting** component to expand it.
3. In the **Unit** field, remove the unit entered previously, and enter \*.
4. Click the **Detail Accounting** to expand it.
5. Scroll down to view the Detail Accounting component.
6. From the **Location Rollup Type** drop down list, select **CODE**.
7. In the **Location** field, enter !.

▼ **Detail Accounting**

Location Rollup Type : CODE

Location : !

8. Scroll to the top of the page.
9. Click the **Save** link.
- E. Create an Exclude pool accounting distribution record and return Home.
  1. While still on the Include pool accounting distribution record, click **Insert**.
  2. From the **Distribution Type** drop down list, select **Accounting**.
  3. Check the **Exclude Flag** check box.

Distribution Type : Accounting ▼

Accumulation Distribution No :

Exclude Flag : ☒

- In the Fund Accounting component, in the **Department** field, enter the data from *your student data card*.
- In the **Unit** field, enter the data from *your student data card*.
- Click the **Save** link. Notice the **Include/Exclude Sequence No** field in the General Information component is auto populated with **2**. Notice also there are two pool accounting distribution lines in the grid; one with **Exclude Flag = No** and one with **Exclude Flag = Yes**.

**Pool/Base Distribution**

Allocation Id	Series Id	Step No	Pool Base Indicator	Pool Base Sequence No	Department	Alloc Percent	Distribution Type	Exclude Flag
02IT	1	1	Pool	1	102	100.000000	Accounting	No
✓ 02IT	1	1	Pool	1	102	100.000000	Accounting	Yes
02IT	1	1	Pool	1	AAA		Offset	No
02IT	1	1	Base	1	ADA	60.000000	Accounting	No
02IT	1	1	Base	2	RVA	40.000000	Accounting	No

First Prev Next Last

Save Undo Delete Insert Copy Paste Search

**General Information**

Allocation Id : 02IT Pool Base Sequence No : 1

Series Id : 1 Distribution Type : Accounting

Step No : 1 Accumulation Distribution No : 1

Pool Base Indicator : Pool Exclude Flag : ☒

Alloc Percent : 100.000000 Include/Exclude Sequence No : 2

**Fund Accounting**

Fund Rollup Type : Department : 102 Appr Unit Rollup Type :

Fund : Unit : 0102 Appr Unit :

Sub Fund : Sub Unit :

Obj/Rev Indicator : Government Branch :

Object/Revenue Source Rollup Type : Cabinet :

Object/Revenue Source Rollup Type Name : Division : Department Object/Revenue Source Indicator :

Object/Revenue Source : Group : Department Object/Revenue Rollup Type :

Sub Object/Revenue Source : Bureau : Department Object/Revenue :

Section :

District :

- Click **Home** in the Primary Navigation Panel to return to the Home Page.

## Lesson Summary

In this lesson, you:

- Identified four features used to reduce data entry on the Pool/Base Distribution (PBDIST) page
- Used data entry shortcuts to create accounting distributions on PBDIST



## Check Your Progress

---

1. Shortcuts available to streamline data entry on PBDIST include \_\_\_\_\_.
  - a. Inheritance
  - b. Exclude Box
  - c. Wildcards
  - d. Rollups
  - e. All of the above
2. The wildcard symbols available to use on PBDIST for data entry are \_\_\_\_\_.
  - a. %
  - b. \*
  - c. !
  - d. Both a. and b.
  - e. Both b. and c.
3. An asterisk entered in the Activity field on PBDIST, when the Exclude Flag check box is checked, instructs AFIS to remove transactions if there is a value in the Activity field on the Accounting line.
  - a. True
  - b. False

## 6. THE AUTOMATED COST ALLOCATION PROCESS

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### Learning Objectives

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In this lesson, you will:

- List and define the five modes available to run the automated Cost Allocation Process
- Define the role of the Cost Allocation Parameter (CAPA) page
- View Cost Allocation (CA) documents generated by the automated Cost Allocation Process
- List the two Cost Allocation inquiry pages
- View Cost Allocation information displayed on the Cost Allocation Journal Summary Inquiry (CAJR) and Cost Allocation Totals Inquiry (CTOT) pages

### Lesson Overview

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This lesson describes the automated Cost Allocation Process and identifies the role of the Cost Allocation Parameter (CAPA) page. The process to reverse allocations, if found to be in error, is also addressed. The Cost Allocation (CA) document is generated by the automated Cost Allocation Process to record the allocation results.

Data generated from the automated Cost Allocation Process are displayed on two inquiry pages: the Cost Allocation Journal Summary Inquiry (CAJR) and Cost Allocation Totals Inquiry (CTOT).

### 6.1. State Process Overview

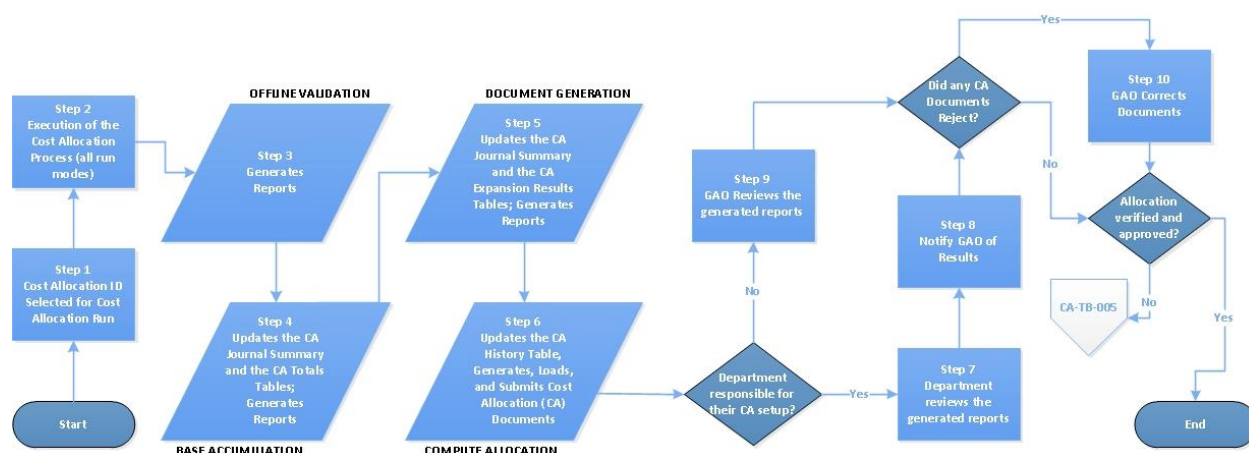
---

The steps below describe the statewide process. Your agency may have additional requirements. This process is referenced in To Be ID CA-TB-006 and represented by Figure 8 below.

1. The Cost Allocation process can be executed as a single execution which will run the four Run Modes (Offline Validation, Base Accumulation, Compute Allocation, and Document Generation) in a sequence. Each mode is executed without a review of the results in between each mode. The General Accounting Office (GAO) selects the Cost Allocation ID to be processed, configures the parameters, and schedules the process to run.
2. The GAO executes the Cost Allocation process as a single execution. When run as a single execution, this process will execute in sequence the Offline Validation, Base Accumulation, Compute Allocation, and Generate Document run modes in sequence.
3. The Cost Allocation process in Offline Validation Run Mode generates reports that can be reviewed by the GAO, and the Departments, to validate the allocation data.

4. The Cost Allocation process in Base Accumulation Run Mode updates the Cost Allocation Journal Summary table, the Cost Allocation Totals table, and generates the Base Accumulation and Base Accumulation Exception reports. These reports will be reviewed at the end of the process.
5. The Cost Allocation process in Compute Allocation Run Mode reads the information stored in the Cost Allocation Summary and Totals tables and updates the Cost Allocation Expansion Results table and the Cost Allocation History Table. These tables will be used in the next stage of the Cost Allocation process to generate the documents. Four reports are also generated: the Pool View report, the Base View report, the Summarization report, and the Expansion Exception report.
6. The execution of the Cost Allocation process in Generate Document Mode results in updates to the Cost Allocation History table and the generation of Charge (CH) documents and Cost Allocation (CA) documents. These generated documents are loaded and submitted through this process.
7. The Department reviews the results of the Cost Allocation process in the reports and the generated Cost Allocation (CA) documents and/or Charge (CH) documents. Changes that are required to the Cost Allocation configurations will require a reversal and rerun. Corrections of rejected CA or CH documents will be performed by the GAO.
8. The Department reviews the reports and documents and notifies the GAO of the results.
9. The GAO reviews the results of the Cost Allocation process in the reports and the generated CA document and/or CH documents. Changes that are required to the Cost Allocation configurations will require a reversal and rerun. If any of the generated documents contain errors, the documents will be rejected. These rejected documents will be reviewed and the conditions causing the error resolved, without modifying the documents themselves when at all possible.
10. The GAO reviews any rejected CH or CA documents, resolves the issues, and validates and submits the generated documents. The data recorded on the document should not be modified in order to resolve the errors if possible. These re-submitted documents will not be routed through workflow for approval.

Figure 8: Cost Allocation Process – Chain, Single Step (CA-TB-006)



## 6.2. The Automated Cost Allocation Process

Once the Cost Allocation hierarchy is established, and transactions have been entered that require allocation, the automated Cost Allocation Process is run to perform the allocation.

At pre-established frequencies, as set on the ALOC record (Daily, Monthly, Quarterly, or Annual), the Cost Allocation Process is run to allocate the costs. The AFIS Cost Allocation Process is a group of four jobs that work together to create Cost Allocation (CA) documents.

It is the CA document that contains the credit and debit posting lines necessary to allocate costs, as identified in the Cost Allocation hierarchies; or to reverse the transactions generated from a previously run allocation. The four jobs that comprise the automated Cost Allocation Process are: Cost Allocation Process, Load CA, Submit CA, and CA Document Exception Report.

The jobs run in five different run modes: Offline Validation, Base Accumulation, Compute Allocation, Generate Document, and Reversal. The role of each mode is described below.

**Note:** See the CGI Advantage<sup>®</sup> Cost Accounting Run Sheets and the To Be Processes CA-TB-001 through CA-TB-006 for detailed information about the Cost Allocation batch jobs and each run mode.

### Offline Validation Run Mode

This mode validates the Chart of Accounts elements entered on PBDIST. COA elements cannot be validated at the time of entry on PBDIST, since fiscal year is not defined on this page; therefore, there may be invalid data on PBDIST. There may be other anomalies in the data setup, such as missing account distribution records or base record percentages that do not sum to 100%.

### Base Accumulation Run Mode

This mode builds the Cost Allocation Journal Summary, based on the parameters established for each run of the automated Cost Allocation Process. See Topic 6.3 Cost Allocation Parameter, for more

information on establishing parameters for this process. The Base Accumulation mode also calculates the allocation percentages for Statistical, Direct Financial, and Direct and Instream Financial Base Types.

### Compute Allocation Run Mode

This mode selects transactions for allocation based on the pool accounting distribution records (this is called Pool Expansion); such transactions are allocated to the base accounting distributions, according to either the Fixed Percentage entered on the allocation or percentage calculated in the Base Accumulation process. This is called Base Expansion. The records identified in the Cost Allocation expansion process are placed on the Cost Allocation History table and will be used to create documents, when the job is run in Generate Document mode.

**Note:** The Cost Allocation History table is a database table not accessible to the user in AFIS.

### Generate Document Run Mode

This optional mode generates Cost Allocation (CA) documents. This process can be disabled, if the Cost Allocation process is being run for report purposes only.

### Reversal Run Mode

This mode is run, after running in the Generate Document mode, if transactions from a previously run allocation are found to be in error. See Topic 6.5 Cost Allocation Reversal for additional information about this mode.

## 6.3. Cost Allocation Parameter (CAPA)

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The Cost Allocation Parameter (CAPA) page provides instructions to AFIS for each run of the automated Cost Allocation Process. Key fields on the CAPA page are:

- **Run Mode** - Select the mode for each run of the automated Cost Allocation Process. For each allocation, the jobs are run in the sequence listed above, because the output of one mode becomes the input for the next mode. The exception is the Reversal mode, selected only when existing allocation transactions must be reversed.
- **Run Cycle** - Select Single, if the jobs will be run in sequence automatically in the nightly batch cycle. Select Multiple, if each job will be run manually.
- **Allocation Id** - Select the Allocation Id established on the Cost Allocation Control Setup (ALOC) page. The process is always run for an entire allocation and not for a single series or step within that allocation.

- **Allocation Frequency** - The Allocation Frequency is inferred onto the parameter page from ALOC. The following field requirements exist based on allocation frequency:
  - **Daily** - The Daily Run Date field is required.
  - **Monthly** - The Fiscal Year and Selection APD fields are required. There are two primary monthly run periods, so the appropriate Accounting Period must be selected based on the type of run. For the soft close, the allocation will post into the same Accounting Period as the original Transaction. If the run is for another mid-month time, the allocation should post to the following Accounting Period.
  - **Quarterly** - The Fiscal Year and Fiscal Quarter fields are required.
  - **Annual** - The Fiscal Year field is required.
- **Data Source** - This identifies the source page for the allocation transactions.
- **Offline Validation Date** - This field is required when the mode is Offline Validation. Enter the date that the offline validation mode is run.
- **Document Code** - Select CA - Cost Allocation.
- **Prefix, Doc Dept, Doc Unit** - Enter values in accordance with entity procedure.
- **Expenditure Event Type** - Enter values in accordance with procedure.
- **Revenue Event Type** - Enter values in accordance with procedure.

Cost Allocation Process Parameters								
Parameter Id	Run Mode	Allocation Id	Fiscal Year	Selection APD	Fiscal Quarter	Retain FY	Retain BFY	Prior Year APD
✓ 00IT	Offline Validation	00IT	2015	4		Yes	No	
200	Offline Validation	TN200	2015	1		Yes	No	
RF1	Compute Allocation	RF1	2015	1		Yes	No	
UATT	Reversal	0200	2015	3		Yes	No	

First Prev Next Last

[Save](#) [Undo](#) [Delete](#) [Insert](#) [Copy](#) [Paste](#) [Search](#)

Parameter Id: 00IT  
 Run Mode: Offline Validation  
 Run Cycle: Single  
 Allocation Id: 00IT  
 Allocation Frequency: Monthly  
 Selection APD: 4  
 Fiscal Quarter:   
 Fiscal Year: 2015  
 BFY Option: ☐  
 Daily Run Date:   
 Data Source: 11  
 Retain BFY: ☐  
 Retain FY: ☒  
 Lapse FY Override: ☐  
 Prior Year APD:

Offline Validation Date(mm/dd/yyyy): 09/01/2014  
 Document Record Date(mm/dd/yyyy):   
 Document Type: CH  
 Document Code: CA  
 Prefix: CA  
 Doc Dept: 100  
 Doc Unit:   
 Expenditure Event Type: CA01  
 Revenue Event Type: CA02  
 Revenue Credits Event Type: CG03  
 Charges Event Type: CG01  
 Inverse Event Type: CA03  
 Build References: ☐  
 Break by Appr: ☐  
 Perform COA Summarization: ☐  
 Rebuild Summary in Compute Allocations: ☐

Most AFIS users will not be responsible for running the Cost Allocation Process; however, they may create, or provide input on, entries on CAPA for running the automated process. Users with knowledge

of the allocation requirements may also be involved with analyzing and validating the output of the batch jobs.

## 6.4. The Cost Allocation (CA) Document






The Cost Allocation process generates Cost Allocation (CA) documents to record the results of the allocation. The CA document can only be generated by the automated Cost Allocation process; it cannot be created manually. If errors are encountered during the Generate Document process, the document will be created in Draft Phase, and a report will be generated listing the errors encountered.

If it is necessary to research the source of the CA document, the following allocation information is recorded in the Description field on the Header component of the CA document (the code noted in parentheses is used in the Description field due to space limitations):

- Allocation ID (AL)
- Series (SR)
- Step (ST)
- CAPA Parameter ID (CID)
- Selection APD (APD)
- Selection Fiscal Quarter (FQ)
- Selection Fiscal Year (FY)
- Data Source (ledger number) (DS)

Cost Allocation(CA)		Dept: 200	ID: CA2015000003	Ver.: 1	Function: New	Phase: Final
<b>Header</b>						
<div> <div>General Information</div> <div>Document Information</div> <div>Extended Description</div> </div>						
<b>Document Name:</b> <input type="text"/>						
<b>Record Date:</b> 10/23/2014 <input type="text"/>						
<b>Budget FY:</b> 2015 <input type="text"/>						
<b>Fiscal Year:</b> 2015 <input type="text"/>						
<b>Period:</b> 3 <input type="text"/>						
<b>Document Description:</b> AL: 0200 SR: 1 ST: 1 CID:UATT APD: 3 FY:2015 DS:15 <input type="text"/>						
<b>Actual Amount:</b> \$0.00						
<b>Closed Amount:</b> \$0.00						
<b>Closed Date:</b>						

In addition, the Ledger Record Number (LRN) from source ledger is recorded in the Line Description field on the Accounting line of the CA document.

General Information	Reference	Fund Accounting	Detail Accounting	Special Reference
Event Type: CA01 				Budget FY: 2015
Accounting Template: 				Fiscal Year: 2015
Line Description: LRN:227 				Period: 3
				Charge Class: 
Line Amount: (\$100,000.00)				Charge Class Rate:
Line Closed Amount: \$0.00				Charge Units:
Line Closed Date:				Bank: BK01 

Unless the details within the hierarchy change, a Cost Allocation Process can be executed repeatedly for a Cost Allocation hierarchy, until it is no longer needed. The only additional data entry required to execute subsequent cycles of the automated process are updates to CAPA to provide instructions for each run of the process.

#### ACTIVITY 6.4

### View a Cost Allocation (CA) Document Created from Generate Document Mode

#### Scenario

The automated Cost Allocation Process has been run in the Offline Validation, Base Accumulation, Compute Allocation, and Generate Document modes to allocate IT Service Desk costs to the various departments, based on the Allocation Control Id. Navigate to a Cost Allocation (CA) document and view the Accounting lines created to accomplish the allocation.

#### Setup

- ✓ User is logged in to the AFIS Home Page.
- ✓ The automated Cost Allocation Process has been run for Allocation Control Id.
- ✓ A CA document has been generated and submitted to Final Phase.

#### Steps

- A. Navigate to the Cost Allocation (CA) document.
  1. In the **Jump to** field, enter **CA**.
  2. Click **Go**. The Document Catalog is displayed with CA displayed in the **Code** field.
  3. Leave the **Dept** field blank.

*Note: The Department field cannot be used to find an agencies CA docs because they are generated from batch jobs that will have the centralized agencies dept. on the header level (e.g. a DEA allocation doc with have AAA as the Dept).*



4. Leave the **Unit** field blank.
5. In the **ID** field, enter **CA2015\*3**.
6. Click **Browse**. The Document Catalog grid is populated with a CA document to allocate IT Services costs.

**Document Catalog**

Create

▼ **Document Identifier**

Code : CA Unit :

Dept. :  ID : CA2015\*3

► **User Information**

► **Document State**

[Browse](#) [Clear](#)

[Open](#) [Validate](#) [Submit](#) [Copy](#)

	Code	Dept.	Unit	ID	Comments	Version	Function	Phase	Status	Date	User ID	Amount	Active
<input type="checkbox"/>	CA	200		<a href="#">CA2015000003</a>	No	1	New	Final	Submitted	10/23/14	jharden	\$0.00	Yes

7. In the **ID** field, click the link for the CA document. The CA document is displayed.

B. View the allocation information recorded in the Header component.

1. In the **Document Description** field, notice the information identifying the source of the allocation.

**Document Description:** AL: 0200 SR: 1 ST: 1 CID:UATT  
APD: 3 FY:2015 DS:15

C. View the Accounting lines generated by the automated Cost Allocation Process, then click Close and return to the Home Page.

1. To navigate within a document, either click the section name at the bottom of the document, or use the Document Navigator panel. In this training, you will use the Document Navigator.
2. Click the **Open Document Navigator** icon (small arrow on left side) to switch to Document Navigator mode.

**Cost Allocation(CA)** Dept: 200 ID: CA2015000003 Ver.: 1 Function: New Phase: Final

**Header**

General Information | Document Information | Extended Description

**Document Name:**

**Record Date:** 10/23/2014

**Budget FY:** 2015

**Fiscal Year:** 2015

**Period:** 3

**Document Description:** AL: 0200 SR: 1 ST: 1 CID:UATT  
APD: 3 FY:2015 DS:15

**Actual Amount:** \$0.00

**Closed Amount:** \$0.00

**Closed Date:**

- On the Document Navigator, click the **Accounting** component.
- Notice the three Accounting lines on the CA document. Accounting line 1 is highlighted in the grid.
- In the **Line Description** field, notice the Ledger Record Number notation.

General Information	Reference	Fund Accounting	Detail Accounting
<b>Event Type:</b> CA01			
<b>Accounting Template:</b>			
<b>Line Description:</b> LRN:227			

- Click the **Fund Accounting** tab for Accounting line 1. This is the credit for the pool. Notice the COA elements for the offset distribution are credited.

Accounting				
Total Lines: 3		Accounting Line: 1	Line Amount: (\$100,000.00)	Event Type: CA01
Accounting Line	Line Amount	Event Type	Ref Sub Unit	
1	(\$100,000.00)	CA01		
2	\$60,000.00	CA01		
3	\$40,000.00	CA01		
from 1 to 3 Total: 3				
<div>First Previous Next Last</div> <div>Go to line: <input type="text"/> <input type="button" value="Go"/></div>				
General Information Reference Fund Accounting Detail Accounting Special Reference				
<b>Fund:</b> 9000	<b>Department:</b> 200	<b>OBSA:</b>		
<b>Sub Fund:</b>	<b>Unit:</b> 0200	<b>Sub OBSA:</b>		
<b>Object:</b> 7270	<b>Sub Unit:</b>	<b>Dept Object:</b>		
<b>Sub Object:</b>	<b>Appr Unit:</b> 1000000	<b>Dept Revenue:</b>		
<b>Revenue:</b>	<b>BSA:</b>			
<b>Sub Revenue:</b>	<b>Sub BSA:</b>			

- In the grid, click Accounting line 2. This is the debit for Base 1.
- In the **Department** field, notice the department which represents the Department of Administration.

General Information	Reference	Fund Accounting	Detail Accounting	Special Reference
<b>Fund:</b> 1000	<b>Department:</b> ADA	<b>OBSA:</b>		
<b>Sub Fund:</b>	<b>Unit:</b> 0400	<b>Sub OBSA:</b>		
<b>Object:</b> 7270	<b>Sub Unit:</b>	<b>Dept Object:</b>		
<b>Sub Object:</b>	<b>Appr Unit:</b> AA10000	<b>Dept Revenue:</b>		
<b>Revenue:</b>	<b>BSA:</b>			
<b>Sub Revenue:</b>	<b>Sub BSA:</b>			

- In the grid, click on Accounting line 3. This is the debit for Base 2.

10. In the **Department** field, observe the Department of Revenue.

General Information	Reference	Fund Accounting	Detail Accounting	Special Reference
<b>Fund:</b> RV2501		<b>Department:</b> RVA		<b>OBSA:</b>
<b>Sub Fund:</b>		<b>Unit:</b> ASAD		<b>Sub OBSA:</b>
<b>Object:</b> 7270		<b>Sub Unit:</b>		<b>Dept Object:</b>
<b>Sub Object:</b>		<b>Appr Unit:</b> RV10000		<b>Dept Revenue:</b>
<b>Revenue:</b>		<b>BSA:</b>		
<b>Sub Revenue:</b>		<b>Sub BSA:</b>		

11. Click **Close**.

12. Click **Home** in the Primary Navigation Panel to return to the Home Page.

D. View the impact the allocation has on the Appropriation and Allotment budget.

1. In the **Jump to** field, enter **BQ90LV1**.
2. Click **Go**. The Appropriation and Allotment page opens.
3. Click **Search**. A Search window is displayed.
4. In the **BFY** field, enter the current budget fiscal year.
5. In the **Dept** field, enter **200**.
6. Click **Ok**. The budget information for Department 200 is displayed.
7. Review the information displayed on BQ90LV1.
8. Follow the same instructions for Dept. ADA and RVA.
9. Click **Home** in the Primary Navigation Panel to return to the Home Page.

## 6.5. Cost Allocation Reversal

If for any reason the CA documents are found to be in error, corrections can either be made by correcting the underlying errors causing the CA document to reject (i.e. Budget/COA) , or by running the Cost Allocation Process in Reversal mode. This topic addresses the use of the Reversal mode.

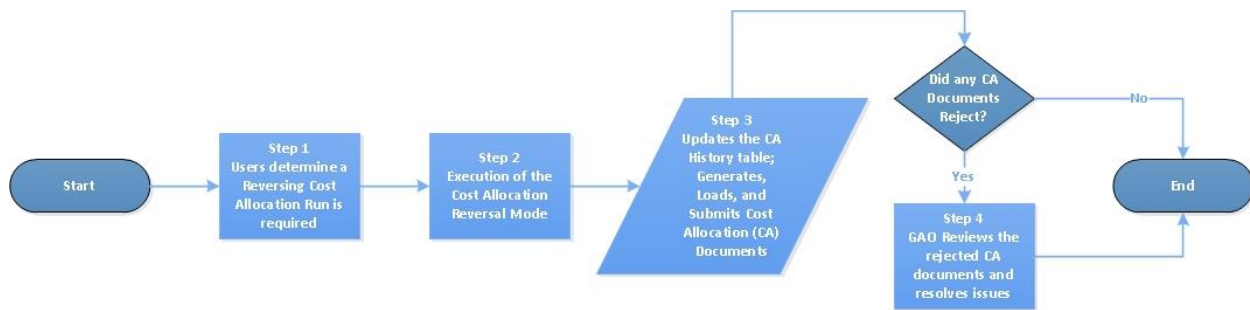
### State Process Overview

The steps below describe the statewide process. Your agency may have additional requirements. This process is referenced in To Be ID CA-TB-005 and represented by Figure 9 below.

1. The Cost Allocation process contains an optional Reversal Run Mode that will recreate the CH or CA documents created in **the most recent run**, but with the debit and credit entries reversed. This reversal run mode is used to undo the most recent execution of the Cost Allocation process so that it can be corrected and rerun. The GAO receives notification from a Department or makes the determination that a Reversing Cost Allocation Run is required.
2. The GAO executes the Cost Allocation process in Reversal Run Mode to reverse the most recent Cost Allocation run. The reversal mode generates CA documents from the allocation history tables to reverse the prior Cost Allocation run.

3. The execution of the Cost Allocation process in Reversal Mode results in updates to the Cost Allocation History table and the generation of CH and CA documents to reverse the most recent run. These generated documents are loaded and submitted through this process. If any of the generated documents contain errors, the documents will be rejected. These rejected documents will be reviewed and the conditions causing the error resolved, without modifying the documents themselves when at all possible. System generated documents bypass the workflow process unless manually modified by a user before they are submitted or when rejected documents are corrected.
4. The GAO reviews any rejected CH or CA documents, resolves the issues, and validates and submits the generated documents. The data recorded on the document should not be modified in order to resolve the errors if possible. These re-submitted documents will not be routed through workflow for approval.

**Figure 9: Cost Allocation Process – Chain, Reversal (CA-TB-005)**








For example, Figure 10 displays the Accounting lines for a Cost Allocation (CA) document generated to execute an allocation.

**Figure 10: Sample CA Document Accounting Lines for an Allocation**

Cost Allocation(CA) Dept: 0313 ID: 1400000007 Ver.: 1 Function: New Phase: Final Modified by Icanacakos, 12/17/2013				
<b>Header</b>				
<b>Accounting</b> Total Lines: 7 Accounting Line: 1 Line Amount: (\$1,220.00) Event Type: CA01				
	Accounting Line	Line Amount		Event Type
1		(\$1,220.00)	CA01	
2		(\$480.00)	CA01	
3		(\$900.00)	CA01	
4		\$840.00	CA01	
5		\$720.00	CA01	
6		\$560.00	CA01	
7		\$480.00	CA01	
From 1 to 7 Total: 7				
First Previous Next Last				

Figure 11 displays the Accounting lines for a CA document generated to reverse that same allocation. Notice that each Accounting line on the reversal CA document is exactly opposite that found on the initial CA document.

**Figure 11: Sample CA Document Accounting Lines for a Reversal**

Cost Allocation(CA)													Dept: 0313													ID: 1400000008													Ver.: 1													Function: New													Phase: Final																										Modified by: lcanacinos													12/17/2013												
Header																																																																																																																				
Accounting													Total Lines: 7													Accounting Line: 1													Line Amount: \$1,220.00													Event Type: CA01																																																																
													Accounting Line																										Line Amount																										Event Type																																																			
1																																							\$1,220.00													CA01																																																																
2																																							\$480.00													CA01																																																																
3																																							\$900.00													CA01																																																																
4																																							(\$840.00)													CA01																																																																
5																																							(\$720.00)													CA01																																																																
6																																							(\$560.00)													CA01																																																																
7																																							(\$480.00)													CA01																																																																
From 1 to 7													Total: 7																																																																																																							

**ACTIVITY 6.5****View a Cost Allocation (CA) Document Generated in Reversal Mode****Scenario**

The automated Cost Allocation Process has been run for the Allocation Control Id and a CA document has been submitted to Final Phase to accomplish the allocation. An error was found, so the automated Cost Allocation Process has been run again, in Reversal mode. View the CA document generated to reverse the allocation.

**Setup**

- ✓ User is logged in to the AFIS Home Page.
- ✓ The automated Cost Allocation Process has been run in Reversal mode for Allocation Control Id.
- ✓ A CA document for the reversal has been generated and submitted to Final Phase.

**Steps**

A. Navigate to the Cost Allocation (CA) document.

1. In the **Jump to** field, enter **CA**.
2. Click **Go**. The Document Catalog is displayed with CA displayed in the Code field.
3. In the **ID** field, enter **CA2015\*4**.
4. Click **Browse**. The Document Catalog grid is populated with one line.

	Code	Dept.	Unit	ID	Comments	Version	Function	Phase	Status	Date	User ID	Amount	Active
<input type="checkbox"/>	CA	200		<a href="#">CA2015000004</a>	No	1	New	Final	Submitted	10/23/14	jharden	\$0.00	Yes

5. Click the **ID** link for the CA. The CA document is displayed.

B. View the Accounting lines generated by the automated Cost Allocation Process, then click Close, and return to the Home Page.

1. To navigate within a document, either click the section name at the bottom of the document, or use the Document Navigator panel. In this training, you will use the Document Navigator.
2. Click the **Open Document Navigator** icon (small arrow on left side) to switch to Document Navigator mode.

- On the Document Navigator, click **Accounting**. The Accounting component is displayed.
- Click the **Fund Accounting** tab for Accounting line 1. This is the debit for the pool, which reverses the allocation. Notice the COA elements for the offset distribution are displayed for this debit accounting line.

Accounting				
Total Lines: 3		Accounting Line: 1	Line Amount: \$100,000.00	Event Type: CA01
Accounting Line	Line Amount	Event Type	Ref Sub U	
1	\$100,000.00	CA01		
2	(\$60,000.00)	CA01		
3	(\$40,000.00)	CA01		
From 1 to 3 Total: 3				
<div> <div>General Information</div> <div>Reference</div> <div>Fund Accounting</div> <div>Detail Accounting</div> <div>Special Reference</div> </div>				
Fund: 9000	Department: 200	OBSA:		
Sub Fund:	Unit: 0200	Sub OBSA:		
Object: 7270	Sub Unit:	Dept Object:		
Sub Object:	Appr Unit: 1000000	Dept Revenue:		
Revenue:	BSA:			
Sub Revenue:	Sub BSA:			

- In the grid, click Accounting line **2**. This is the credit for Base 1, which reverses the allocation.
- In the **Department** field, notice the Department of Administration is represented.

Accounting				
Total Lines: 3		Accounting Line: 2	Line Amount: (\$60,000.00)	Event Type: CA01
Accounting Line	Line Amount	Event Type	Ref Sub U	
1	\$100,000.00	CA01		
2	(\$60,000.00)	CA01		
3	(\$40,000.00)	CA01		
From 1 to 3 Total: 3				
<div> <div>General Information</div> <div>Reference</div> <div>Fund Accounting</div> <div>Detail Accounting</div> <div>Special Reference</div> </div>				
Fund: 1000	Department: ADA	OBSA:		
Sub Fund:	Unit: 0400	Sub OBSA:		
Object: 7270	Sub Unit:	Dept Object:		
Sub Object:	Appr Unit: AA10000	Dept Revenue:		
Revenue:	BSA:			
Sub Revenue:	Sub BSA:			

7. In the grid, click on Accounting line **3**. This is the credit for Base 2, which reverses the allocation.
8. In the **Department** field, notice the Department of Revenue is represented.

Accounting				
Total Lines: 3    Accounting Line: 3    Line Amount: (\$40,000.00)    Event Type: CA01				
Accounting Line	Line Amount	Event Type	Ref Sub Unit	
1	\$100,000.00	CA01		
2	(\$80,000.00)	CA01		
3	(\$40,000.00)	CA01		

From 1 to 3 Total: 3    First    Previous    Next    Last    Go to line:  Go

List View

General Information    Reference    **Fund Accounting**    Detail Accounting    Special Reference

Fund: RV2501	Department: RVA	OBSA:
Sub Fund:	Unit: ASAD	Sub OBSA:
Object: 7270	Sub Unit:	Dept Object:
Sub Object:	Appr Unit: RV10000	Dept Revenue:
Revenue:	BSA:	
Sub Revenue:	Sub BSA:	

9. Click **Close**.
  10. Click **Home** in the Primary Navigation Panel to return to the Home Page.
- C. View the impact the allocation has on the Appropriation and Allotment budget.
1. In the **Jump to** field, enter **BQ90LV1**.
  2. Click **Go**. The Appropriation and Allotment page opens.
  3. Click **Search**. A Search window is displayed.
  4. In the **BFY** field, enter the current budget fiscal year.
  5. In the **Dept** field, enter **200**.
  6. Click **Ok**. The budget information for Department 200 is displayed.
  7. Review the information displayed on BQ90LV1.
  8. Follow the same instructions for Dept. ADA and RVA.
  9. Click **Home** in the Primary Navigation Panel to return to the Home Page.

## 6.6. Cost Allocation Inquiries

The Cost Allocation Journal Summary Inquiry (CAJR) page and the Cost Allocation Totals Inquiry (CTOT) pages provide information related to the output of the automated Cost Allocation Process.

### Cost Allocation Journal Summary Inquiry Page

The Cost Allocation Journal Summary Inquiry (CAJR) page summarizes the ledger records selected for the pool for allocation and allows users to review the Pool/Base expansion records from the Cost Allocation process.

Search fields allow the user to narrow search results, based on time period or various COA elements.

Fiscal Year :	<input type="text"/>	Object :	<input type="text"/>
Budget Fiscal Year :	<input type="text"/>	Activity :	<input type="text"/>
Fiscal Period :	<input type="text"/>	Revenue :	<input type="text"/>
Fund :	<input type="text"/>	Posting Code :	<input type="text"/>
Department :	<input type="text"/>	Major Program :	<input type="text"/>
Unit :	<input type="text"/>	Program :	<input type="text"/>
BSA :	<input type="text"/>		
Ok Clear Cancel			

Figure 12 displays a sample entry from CAJR.

**Figure 12: Sample Entry from the Cost Accounting Journal Summary Inquiry (CAJR) Page**

Cost Allocation Journal Summary Inquiry											
	Fiscal Year	Budget Fiscal Year	Fiscal Period	Fund	Department	Unit	BSA	Object	Revenue	Posting Code	Amount
✓	2015		3	RV1510	RVA	ASFA		6185		D013	527.43
First Prev Next Last											
<a href="#">Search</a>											
<b>General Accounting</b>											
Document Record Date : <input type="text"/> Event Category : <input type="text"/> Fiscal Period : 3 Event Type : <input type="text"/> Fiscal Year : 2015 Posting Pair : <input type="text"/> Budget Fiscal Year : <input type="text"/> Posting Code : D013 Fiscal Quarter : 1 Amount : 527.43											
<b>Fund Accounting</b>											
Fund : RV1510 Object : 6185 Sub Fund : 510 Sub Object : 01 BSA : <input type="text"/> Revenue : <input type="text"/> Sub BSA : <input type="text"/> Sub Revenue : <input type="text"/> BSA Type : <input type="text"/>											
<b>Organizational</b>											
Government Branch : 02 Section : <input type="text"/> Cabinet : 01 District : <input type="text"/> Division : AS Bureau : <input type="text"/> Department : RVA Unit : ASFA Group : <input type="text"/> Sub Unit : 1SU1											
<b>Cost Accounting</b>											
Major Program : GLI01 SYS TEST Program Period : RY15 Program : GLI01 SYS Funding Profile : <input type="text"/> Phase : <input type="text"/> Funding Line : <input type="text"/> Task Order : TOAZ3 Funding Priority : <input type="text"/>											



## The Cost Allocation Totals Inquiry Page

The Cost Allocation Totals Inquiry (CTOT) page allows you to view total amounts for a specific allocation/series/step combination that AFIS uses to compute allocated amounts. CTOT is updated when a new allocation/series/step combination is entered on the PBDIST. AFIS updates the Pool Total and Base Total fields, during the automated Cost Allocation Process.

Search fields allow the user to narrow search results to the specific Allocation Number (Allocation Id), Series Number, and Step Number. It is also possible to search by Base Type, in order to view all Allocation Ids for a specific Base Type.

Cost Allocation Totals Inquiry

[Browse](#) [Clear](#)

Allocation Number : ZZPRO

Series Number :

Step Number :

Base Type :

Total Statistical Units :

Percent Total :

Pool Total :

Base Total :

Allocation Number	Series Number	Step Number	Base Type	Total Statistical Units	Percent Total	Pool Total	Base Total
✓ ZZPRO	1	1	Direct Financial Only	1000.000000	100.00000	\$600.00	\$600.00

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### ACTIVITY 6.6

#### View Entries on CAJR and CTOT Inquiry Pages

##### Scenario

Navigate to CAJR and CTOT to view information available from the automated Cost Allocation Process.

##### Setup

- ✓ User is logged in to the AFIS Home Page.
- ✓ Sample data will be viewed.

##### Steps

- A. Navigate to the Cost Allocation Journal Summary Inquiry (CAJR) page.
  1. In the **Jump to** field, enter **CAJR**.
  2. Click **Go**. A Search window is displayed.
- B. View information generated from a sample Cost Allocation hierarchy.
  1. In the **Fiscal Year** field, enter **the current fiscal year**.

2. Click **OK**. Cost Allocation Journal Summary Inquiry page results are displayed.
3. Review the data contained in CAJR.

Cost Allocation Journal Summary Inquiry											
	Fiscal Year	Budget Fiscal Year	Fiscal Period	Fund	Department	Unit	BSA	Object	Revenue	Posting Code	Amount
✓	2015		3	RV1510	RVA	ASFA		6185		D013	527.43
	2015		3	1234567	DEA	1119		6001		D013	1200.00
	2015		3	HC2120	HCA	1201		6261		D014	1800.00
	2015		3	1234567	DEA	1119		6185		D013	200.00
	2015		3	1000	HCA	1201		6261		D014	0.00
	2015		3	1000	HCA	1201		6261		D014	40.00
	2015		3	HC2120	HCA	1201		6261		D014	60.00
	2015		3	9000	200	0200		7270		D013	0.00

First Prev Next Last

Search

▼ General Accounting

Document Record Date :  Event Category :

Fiscal Period :  Event Type :

Fiscal Year :  Posting Pair :

Budget Fiscal Year :  Posting Code :

Fiscal Quarter :  Amount :

▼ Fund Accounting

Fund :  Object :

Sub Fund :  Sub Object :

BSA :  Revenue :

Sub BSA :  Sub Revenue :

BSA Type :

▼ Organizational

Government Branch :  Section :

Cabinet :  District :

Division :  Bureau :

Department :  Unit :

- C. Navigate to the Cost Allocation Totals Inquiry (CTOT) page.
  1. In the **Jump to** field, enter **CTOT**.
  2. Click **Go**. The CTOT page is displayed.
- D. View information generated from a sample Cost Allocation hierarchy and return to the Home Page.
  1. In the **Allocation Number** field, enter **0200**.

- Click the **Browse** link. Cost Allocation Totals for allocation of IT Service Desk expense are displayed.

**Cost Allocation Totals Inquiry**

[Browse](#) [Clear](#)

Allocation Number : 0200      Total Statistical Units :

Series Number :       Percent Total :

Step Number :       Pool Total :

Base Type :       Base Total :

Allocation Number	Series Number	Step Number	Base Type	Total Statistical Units	Percent Total	Pool Total	Base Total
✓ 0200	1	1	Fixed Percentage	0.000000	100.00000	\$100,000.00	\$100,000.00

[Copy](#)    First Prev Next Last

- Review the data contained in CTOT.
- Click **Home** in the Primary Navigation Panel to return to the Home Page.

#### E. Supplementary activity

- Review impact on accounting journal (JACTG).

## Lesson Summary

In this lesson, you:

- Listed and defined the five modes available to run the automated Cost Allocation Process
- Defined the role of the Cost Allocation Parameter (CAPA) page
- Viewed Cost Allocation (CA) documents generated by the automated Cost Allocation Process
- Listed the two Cost Allocation inquiry pages
- Viewed Cost Allocation information displayed on the Cost Allocation Journal Summary Inquiry (CAJR) and Cost Allocation Totals Inquiry (CTOT) pages

## Check Your Progress

- The \_\_\_\_\_ mode is not used when the automated Cost Allocation Process is run to create allocations.
  - Offline Validation
  - Base Accumulation
  - Compute Allocation
  - Generate Document
  - Reversal

2. The \_\_\_\_\_ page displays the Pool Total and Base Total generated for a Cost Allocation hierarchy, during the automated Cost Allocation Process.
  - a. Pool Base Distribution (PBDIST)
  - b. Cost Allocation Totals Inquiry (CTOT)
  - c. Cost Allocation Journal Summary Inquiry (CAJR)
3. If an allocation is found to be incorrect once the CA documents are generated, the automated Cost Allocation process can be run in Reversal mode to reverse the allocation.
  - a. True
  - b. False
4. The automated Cost Allocation process creates the Cost Allocation (CA) document to record the results of the allocation; and the Cost Allocation Reversal (CAR) document to record a reversal.
  - a. True
  - b. False

## 7. Cost Allocation Reporting

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### Learning Objectives

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In this lesson, you will:

- Review reports available in Cost Allocation

### Lesson Overview

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AFIS includes several reports for monitoring Cost Allocation.

#### 7.1. Reports

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The key reports needed to support the AFIS Cost Allocation business processes are listed below. These reports are generated during the Automated Cost Allocation process.

- **COA Editing Report** - this report provides the list of the invalid COA element values that were entered in the Pool/Base Distribution table. It is generated in the Offline Validation Run Mode.
- **Pool Base Definition Table Verification Report** - this report summarizes the data entered into the Pool/Base Setup & Distribution table. It identifies the pool and base definitions. It is generated in the Offline Validation Run Mode.
- **Pool/Base Exception Report** - this report displays any of seven types of exceptions. If no exceptions are identified, the report will be blank. It is generated in the Offline Validation Run Mode. The types of exceptions identified are:
  - Base Record Percentages do not sum to 100%
  - Accounting Distribution not found
  - Forward Reference Step number does not exist
  - Neither Pool nor Base defined for Step
  - Bases not defined for Step
  - Base Record Percentages for the Step sums up to value greater than 100%
- **Base Accumulation Report** - this report displays all base records, with the allocation percentages and accumulated base amounts. It is generated in the Base Accumulation Run Mode.
- **Base Accumulation Exception Report** - this report displays any of three types of exceptions: Base Total Sums to Negative Value; Base Total Sums to Zero; and Base Percentage is Zero. If no exceptions are identified, each category on the report will be blank. It is generated in the Base Accumulation Run Mode.
- **Pool View Report** - this report gives a view of the pool record and the base records to which the pool amount was allocated. It is generated in the Compute Allocation Run Mode.

- **Base View Report** - this report gives a view of each base record with the corresponding pool record, from which the amount was allocated. It is generated in the Compute Allocation Run Mode.
- **Summarization Report** - this report gives a summary of pool and base records. It is generated in the Compute Allocation Run Mode.
- **Expansion Exception Report** - this report lists five potential exception types: pool records that are not picked up during expansion; base records that have no pool records in STEP; base records with allocation percentage zero; records with an improper allocation of pool amount to base; and records with a negative sum of all base amounts in a step. If no exceptions are identified, each category will be blank. It is generated in the Compute Allocation Run Mode.
- **CA Exception Report** - this report lists all of the errors encountered, when the CA document was submitted. The report contains the Rejected CA document ID, a detailed error description, and the error code. It is generated in the Generate Document and Reversal Run Modes.

## Lesson Summary

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In this lesson, you:

- Reviewed reports for Cost Allocation

## Check Your Progress

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1. If a Chart of Accounts element was entered incorrectly on PBDIST, or if it is no longer valid, the error will be identified in the \_\_\_\_\_ mode of the automated cost allocation process and will be listed on the \_\_\_\_\_ report.
  - a. Offline Validation; Pool/Base Exception
  - b. Offline Validation; COA Editing
  - c. Generate Document; CA Exception
  - d. Generate Document; Summarization
2. If errors are encountered when a CA document is generated from the automated Cost Allocation Process, the rejected document information will be listed on the \_\_\_\_\_ report.
  - a. COA Editing
  - b. Pool/Base Exception
  - c. Document Exception
  - d. CA Exception

## 8. APPENDIX

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### CHARGE BACK PROCESS

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The Charge Back process can be used to calculate indirect costs over and above the actual direct expenses. There are distinct differences from the Overhead Rate Process. Key characteristics of the Charge Back process are as follows:

- This method is typically utilized to calculate indirect costs for grants; however, it could also be used for operational expenditures and revenue.
- The output of the Charge Back process is a two-sided entry posted on the Accounting Journal (JACTG) using a Cost Allocation (CA) document.
- The credit entry on the Accounting Journal (JACTG) for the indirect costs may retain the original accounting distribution from the source transaction, or an offset distribution can be used which is different in part or in total from the original accounting distribution.
- The debit entry on the Accounting Journal (JACTG) is partially or totally different from the original accounting distribution.

See the Comparison of Output from Overhead, Charge Back, Charge Back with Offset Distribution, and Cost Allocation Processes section of the Appendix for sample accounting entries generated by the Charge Back process.

### Charge Back Configuration

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The Cost Allocation process may be used to perform Charge Back processing, where additional expenditures will be posted to the system based on selected expenditures. Currently, the State has no plans to use this feature. This information is presented for reference only.

Some grants allow indirect costs to be charged to grants over and above the actual direct expenses. In these cases, the grant award defines the parameters of the allowed indirect costs:

- The types of expenditures authorized for indirect costs
- The pre-defined percentage of actual expenses used to calculate the indirect costs, which may be different for each type of expenditure

Creating a Cost Allocation hierarchy for Charge Back processing is similar, in most ways, to the steps taken to establish all other Cost Allocation hierarchies; however, there are several unique configuration settings on the ALOC, STEP, PLBS and PBDIST pages, as indicated below:

- ALOC
  - Check the Charge Back check box in the Allocation Information component.

**Note:** Charge Back processing only selects posting codes that have the Cost Allocation Process field on the PSCD page set to Cash Expenditure.

- Allocations for cash expenditures, revenues, or charges may not be combined with an allocation hierarchy setup for Charge Back processing.
- STEP
  - In the Charge Back Object field, identify the object code to be used for the indirect costs.
  - Each grant may be set up as a separate STEP record in the hierarchy, or, for those Departments that have indirect rates defined at the Unit level, rates are defined at the first Step, and grants with exceptions are defined as separate Steps.
- PLBS
  - In the Allocation Percentage field on each pool record, identify the pre-defined percentage of expenses authorized by the grantor for indirect costs.
  - In the Allocation Percentage field on each base record, enter 100 (all of the indirect costs calculated are allocated to the base accounting distribution).

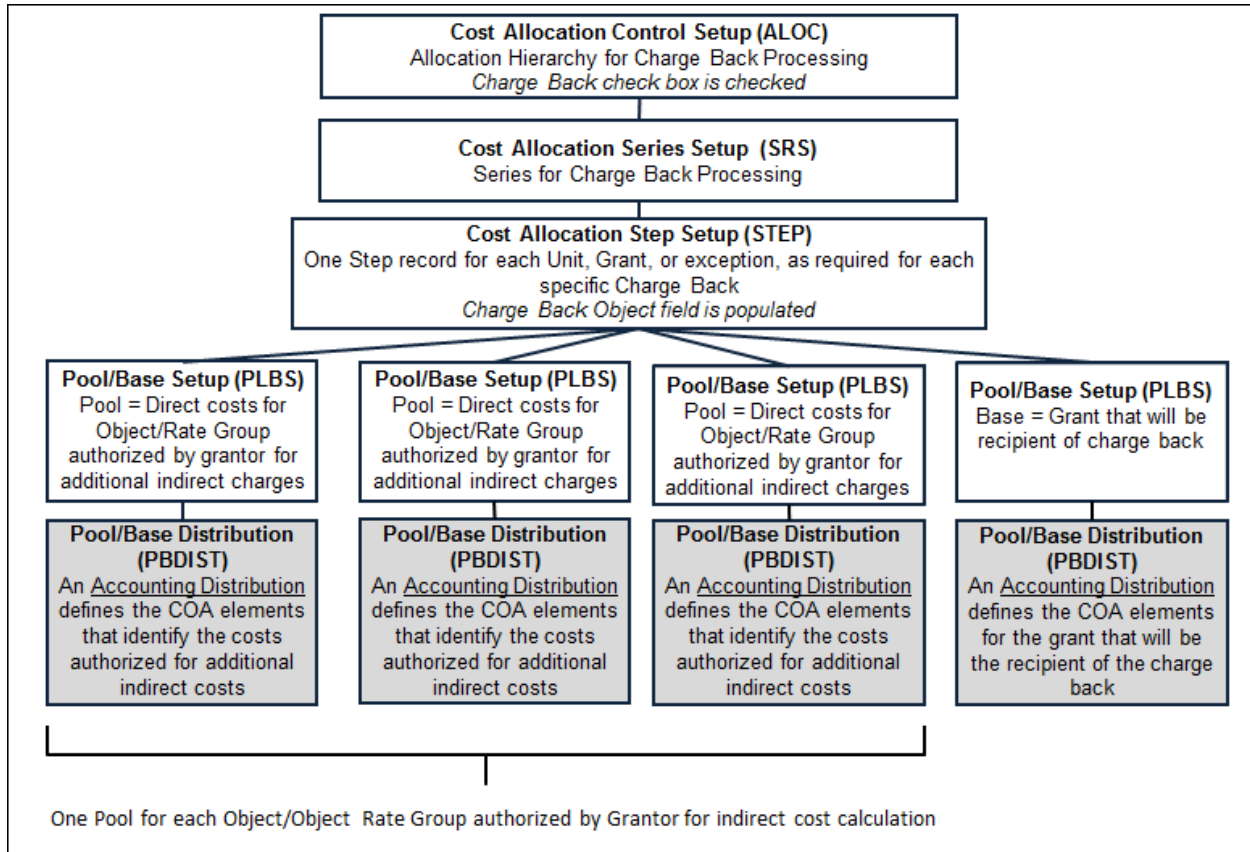
**Note:** A Cost Allocation hierarchy for Charge Back processing is different than typical allocation structures. In a Charge Back hierarchy, a single base record is common; whereas in a typical allocation structure there are usually multiple base records.

- PBDIST
  - Create an accounting distribution record for each pool to identify the direct costs eligible for calculating the indirect costs.
  - If needed, create an offset distribution record for the pool to identify the COA elements to be credited by the allocation, when different than the COA elements on the source document.
  - Create an accounting distribution record for each base to identify the grant to be charged for the indirect costs.

In a Charge Back allocation hierarchy, a pool record is created on PLBS for each Object or Object Group that is subject to indirect cost calculation; therefore, many pool records are common with this type of Cost Allocation hierarchy. Normally, one base record is created on PLBS to identify the grant COA elements receiving the indirect Cost Allocation. Additional base records can be created, if the pool must be allocated to multiple accounting distributions. Figure 13 illustrates the components of a Cost Allocation hierarchy configured for Charge Back Processing.



**Figure 13: Example of Cost Allocation Hierarchy for Charge Back Processing**



## COMPARISON OF OUTPUT FROM OVERHEAD, CHARGE BACK, CHARGE BACK WITH OFFSET DISTRIBUTION, AND COST ALLOCATION PROCESSES

*Note: These scenarios are fictitious and are used to illustrate the different outputs of the various AFIS processes.*

### Overhead Rate Processing

Scenario:

- Automated Disbursement document for eligible expenditure: \$100
- Percentage allowed by funding source for overhead calculation: 20%
- The accounting distribution for the indirect overhead transaction should retain the accounting distribution from the source transaction, but include the Object code 3283 to identify it as an overhead expenditure

Partial disbursement accounting distributions:

Partial Accounting Distributions	Pool or Base	Fund	Dept	Unit	Object	Major Program
Disbursement Document	N/A	9017	0803	0179	3200	XXGRANT
CH Document	N/A	9017	0803	0179	3283	XXGRANT

Impact on Accounting and Cost Accounting Journals:

Document	DR/CR	Debit/Credit Name	Accounting Distribution	JACTG Amount	JCA Amount
AD	DR	External CE	9017-0803-0179-3200-XXGRANT	100	100
	CR	Cash	9017-0803-0179-3200-XXGRANT	100	100
CH	DR	Std Charge	9017-0803-0179-3283-XXGRANT		20
Journal Totals				0	20

Key:

JACTG - Accounting Journal

JCA - Cost Accounting Journal

## Charge Back Processing without Offset Distribution

Scenario:

- Automated Disbursement document for eligible expenditure: \$100
- Percentage allowed by funding source for overhead calculation: 20%
- The CA document will credit the same accounting distribution as found on the pool (no offset)
- The CA document will debit the same accounting distribution as the pool except a different object code will be used

Partial disbursement accounting distributions:

Partial Accounting Distributions	Pool or Base	Fund	Dept	Unit	Object	Major Program
Disbursement Document	Pool	9017	0803	0179	3200	XXGRANT
CA Document	Base	9017	0803	0179	3283	XXGRANT

Impact on Accounting and Cost Accounting Journals:

Document	DR/CR	Debit/Credit Name	Accounting Distribution	JACTG Amount	JCA Amount
AD	DR	External CE	9017-0803-0179-3200-XXGRANT	100	100
	CR	Cash	9017-0803-0179-3200-XXGRANT	100	100
CA	DR	Cash(P)	9017-0803-0179-3200-XXGRANT	20	20
	CR	External CE(P)	9017-0803-0179-3200-XXGRANT	20	20
	DR	External CE(B)	9017-0803-0179-3283-XXGRANT	20	20
	CR	Cash(B)	9017-0803-0179-3283-XXGRANT	20	20
Journal Totals				0	0

Key:

JACTG - Accounting Journal

JCA - Cost Accounting Journal

P - Pool

B - Base

## Charge Back with Offset Distribution

Scenario:

- Automated Disbursement document for eligible expenditure: \$100
- Percentage allowed by funding source for overhead calculation: 20%
- The CA document will credit a different fund than found on the pool accounting distribution (a pool offset distribution is used)
- The CA document will debit the same accounting distribution as the pool except a different object code will be used

Partial disbursement accounting distributions:

Partial Accounting Distributions	Pool or Base	Fund	Dept	Unit	Object	Major Program
Disbursement Document	Pool	9017	0803	0179	3200	XXGRANT
CA Document	Pool Offset	4193	0803	0179	3283	XXGRANT
CA Document	Base	9017	0803	0179	3283	XXGRANT

Impact on Accounting and Cost Accounting Journals:

Document	DR/CR	Debit/Credit Name	Accounting Distribution	JACTG Amount	JCA Amount
AD	DR	External CE	9017-0803-0179-3200-XXGRANT	100	100
	CR	Cash	9017-0803-0179-3200-XXGRANT	100	100
CA	DR	Cash(O)	4193-0803-0179-3283-XXGRANT	20	20
	CR	External CE(O)	4193-0803-0179-3283-XXGRANT	20	20
	DR	External CE(B)	9017-0803-0179-3283-XXGRANT	20	20
	CR	Cash(B)	9017-0803-0179-3283-XXGRANT	20	20
Journal Totals				0	0

Key:

JACTG - Accounting Journal

JCA - Cost Accounting Journal

P - Pool

O - Pool Offset Distribution

B - Base

## Cost Allocation without Pool Offset Distribution

Scenario:

- Automated Disbursement document for expenditures to be allocated: \$100
- Expenditures charged to Unit 0058 will be allocated using a Fixed Percentage Base Type to two other Units:
  - 25% to Unit 0068 (Base 1)
  - 75% to Unit 0090 (Base 2)
- The credit on the CA document will be the same as the pool accounting distribution (no pool offset distribution)

Partial disbursement accounting distributions:

Partial Accounting Distributions	Pool or Base	Fund	Dept	Unit	Object	Major Program
Disbursement Document	Pool	9017	0803	0058	3200	N/A
CA Document	Base	9017	0803	0068	3200	N/A
CA Document	Base	9017	0803	0090	3200	N/A

Impact on Accounting and Cost Accounting Journals:

Document	DR/CR	Debit/Credit Name	Accounting Distribution	JACTG Amount	JCA Amount
AD	DR	External CE	9017-0803-0058-3200	100	
	CR	Cash	9017-0803-0058-3200	100	
CA	DR	Cash(P)	9017-0803-0058-3200	100	
	CR	External CE(P)	9017-0803-0058-3200	100	
	DR	External CE(B1)	9017-0803-0068-3200	25	
	CR	Cash(B1)	9017-0803-0068-3200	25	
	DR	External CE(B2)	9017-0803-0090-3200	75	
	CR	Cash(B2)	9017-0803-0090-3200	75	
Journal Totals				0	

Key:

JACTG - Accounting Journal

JCA - Cost Accounting Journal

P - Pool

O - Pool Offset Distribution

B1 - Base 1

B2 - Base 2

## Cost Allocation with Pool Offset Distribution

Scenario:

- Automated Disbursement document for expenditures to be allocated: \$100
- Expenditures charged to Unit 0058 will be allocated using a Fixed Percentage Base Type to two other Units:
  - 25% to Unit 0068 (Base 1)
  - 75% to Unit 0090 (Base 2)
- The credit on the CA document will have a different Fund than the pool accounting distribution (pool offset distribution)

Partial disbursement accounting distributions:

Partial Accounting Distributions	Pool or Base	Fund	Dept	Unit	Object	Major Program
Disbursement Document	Pool	9017	0803	0058	3200	N/A
CA Document	Pool Offset	4193	0803	0058	3200	N/A
CA Document	Base	9017	0803	0068	3200	N/A
CA Document	Base	9017	0803	0090	3200	N/A

Impact on Accounting and Cost Accounting Journals:

Document	DR/CR	Debit/Credit Name	Accounting Distribution	JACTG Amount	JCA Amount
AD	DR	External CE	9017-0803-0058-3200	100	
	CR	Cash	9017-0803-0058-3200	100	
CA	DR	Cash(O)	4193-0803-0058-3200	100	
	CR	External CE(O)	4193-0803-0058-3200	100	
	DR	External CE(B1)	9017-0803-0068-3200	25	
	CR	Cash(B1)	9017-0803-0068-3200	25	
	DR	External CE(B2)	9017-0803-0090-3200	75	
	CR	Cash(B2)	9017-0803-0090-3200	75	
Journal Totals				0	

Key:

JACTG - Accounting Journal

JCA - Cost Accounting Journal

P - Pool

O - Pool Offset Distribution

B1 - Base 1

B2 - Base 2

## ANSWER KEYS

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Below are answer keys for the Check Your Progress quizzes provided at the end of each lesson.

### Lesson 1

1. a. True. 1.2 Navigation Review: Document
2. b. False. 1.1 Navigation Review: Reference Table
3. a. True. 1.3 Navigation Review: Inquiry Pages

### Lesson 2

1. c. Pool/Base Offset Requirement, Statistical Unit, and Object Rate Groups. 2.4 Cost Allocation Hierarchy
2. a. Identifies the costs or revenues to be allocated. 2.3 Cost Allocation Terminology
3. b. Identifies the departments or programs that are the recipients of the allocation. 2.3 Cost Allocation Terminology
4. a. True. 2.3 Cost Allocation Terminology

### Lesson 3

1. d. Both a. and c.
2. a. True. 3.3 Cost Allocation Step Setup (STEP)
3. c. Offset. 3.5 Pool/Base Distribution (PBDIST)
4. a. Accounting. 3.5 Pool/Base Distribution (PBDIST)
5. b. Accumulation 3.5 Pool/Base Distribution (PBDIST)
6. b. False. The user must enter the Rate Group code in the Object/Revenue Source field. 3.7 Object Rate Groups (OBJRT) Page

### Lesson 4

1. a. True. 4.1 Establish Entries on the Statistical Unit (STAT) Page
2. b. False. 4.1 Establish Entries on the Statistical Unit (STAT) Page
3. b. Base records. 4.3 Create an Allocation Using the Direct Financial Base Type
4. f. b., c., and d. 4.3 Create an Allocation Using the Direct Financial Base Type

### Lesson 5

1. e. All of the above. 5.2 Data Entry Shortcuts
2. e. Both b. and c. 5.2 Data Entry Shortcuts
3. a. True. 5.2 Data Entry Shortcuts

## Lesson 6

1. e. Reversal. 6.5 Cost Allocation Reversal
2. b. Cost Allocation Totals Inquiry (CTOT). 6.6 Cost Allocation Inquiries
3. a. True. 6.5 Cost Allocation Reversal
4. b. False. A CAR document does not exist. The CA document is used for both recording the allocation, and for reversing the allocation. 6.4 The Cost Allocation (CA) Document

## Lesson 7

1. b. Offline Validation; COA Editing. 7.1 Reports
2. d. CA Exception. 7.1 Reports